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March 31, 2009

HAND DELIVERED

Ms. Ann Cole, Director
Division of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Application of Tampa Electric Company for authority to issue and sell securities pursuant to Section 366.04, F.S. and Chapter 25-8, F.A.C. during the twelve months ending December 31, 2008; Docket No. 070589-EI

Dear Ms. Cole:

Pursuant to Rule 25-8.009, Florida Administrative Code, and this Commission's Order No. PSC-07-0848-FOF-EI issued October 22, 2007, we enclose an original and one copy of Tampa Electric Company's Consummation Report regarding the issuance and sale of securities during the fiscal year ended December 31, 2008.

Also enclosed is a CD containing the above Consummation Report using Word 2003 as the word processing software, and Windows XP as the operating system.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning same to this writer.

Thank you for your assistance in connection with this matter.

Sincerely,

James D. Beasley

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ECR 1 CD
GCL
OPC
RCP
SSC
SGA JDB/pp
ADM Enclosures
CLK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Tampa Electric Company)	
For Authority to Issue and Sell Securities Pursuant)	
To Section 366.04, F.S., and Chapter 25-8, F.A.C.)	DOCKET NO. 070589-EI
During the Twelve Months Ending)	FILED: March 31, 2009
December 31, 2008)	
)	

CONSUMMATION REPORT

The applicant, Tampa Electric Company (the "Company"), pursuant to Commission Order No. PSC-07-0848-FOF-EI dated October 22, 2007, submits the following information with respect to the issuance and/or sale of securities during the twelve months ending December 31, 2008.

Facts of Issues

On March 19, 2008, the Hillsborough County Industrial Development Authority ("HCIDA") remarketed $85,950,000 of Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project) due December 1, 2034, Series 2006 ("2006 HCIDA Bonds"). The 2006 HCIDA Bonds, which bore interest in an auction rate mode prior to the remarketing, bear interest in a long term interest rate mode at a rate of 5.00% until March 15, 2012. No proceeds of the remarketing were paid to the HCIDA or the Company.

On March 26, 2008, the HCIDA remarketed $54,200,000 of Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project) due May 15, 2018, Series 2007A ("2007A HCIDA Bonds"). The 2007A HCIDA Bonds, which bore interest in an auction rate mode prior to the remarketing, bear interest in a long term interest rate mode at a rate of 5.65% until maturity on May 15, 2018. No proceeds of the remarketing were paid to the HCIDA or the Company.

On March 26, 2008, the HCIDA remarketed $51,600,000 of Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project) due September 1, 2025, Series 2007B ("2007B HCIDA Bonds"). The 2007B HCIDA Bonds, which bore interest in an auction rate mode prior to the remarketing, bear interest in a long term interest rate mode at a rate of 5.15%

until September 1, 2013. No proceeds of the remarketing were paid to the HCIDA or the Company.

On May 16, 2008, the Company issued $150,000,000 of 6.10% Notes due May 15, 2018 ("2008 Notes") under a shelf registration statement for the purpose of repaying short-term debt and for general corporate purposes. The proceeds to the Company are described in detail under "Net Proceeds" on page 3 of this report.

The Company regularly borrows under its two revolving credit facilities, both of which permit the Company to draw down, repay, and re-borrow funds. Given the frequency of these borrowings and repayments, it is not practicable to give the details of each action. However, the Company's borrowing activity in 2008 can be summarized as follows:

	($Millions)
Minimum Outstanding	$0
Maximum Outstanding	$78,000
Average Outstanding	$8,521
Weighted Average Interest Cost	2.72%

Terms and Conditions

The 2006 HCIDA Bonds were issued at a long term interest rate mode commencing March 26, 2008 and bear interest at 5.00%. Interest on the 2006 HCIDA Bonds is payable each March 1 and September 1, commencing September 1, 2008. The remarketing and interest payment periods can be modified at the option of the Company, in accordance with the Loan and Trust Agreement.

The 2007A HCIDA Bonds and the 2007B HCIDA Bonds were issued at a long term interest rate mode commencing March 26, 2008 and bear interest at 5.65% and 5.15%, respectively. Interest on the 2007A HCIDA Bonds and the 2007B HCIDA Bonds is payable each March 1 and September 1, commencing September 1, 2008. The remarketing and interest payment periods for the 2007B Bonds can be modified at the option of the Company, in accordance with the Loan and Trust Agreement.

The 2008 Notes bear interest at 6.10% per annum. Interest on the 2008 Notes is payable each

May 15 and November 15, commencing November 15, 2008.

Net Proceeds

2006 HCIDA Bonds:	Bond Remarketing	$85,950,000
	Bond Repayment	(85,950,000)
	Net Proceeds (Repayments)	-
2007A HCIDA Bonds:	Bond Remarketing	$54,200,000
	Bond Repayment	(54,200,000)
	Net Proceeds (Repayments)	-
2007B HCIDA Bonds:	Bond Remarketing	$51,600,000
	Bond Repayment	(51,600,000)
	Net Proceeds (Repayments)	-
2008 Notes:	Bond Issue	$150,000,000
	Underwriting Fee	(975,000)
	Net Proceeds (Before Expenses)	$ 149,025,000

Statement of Capitalization

Statements of capitalization, pretax interest coverage, debt interest requirements and preferred stock dividend requirements of the Company for the year ending December 31, 2008 are as follows:

Capital Structure	($Millions)
Short-term Debt	$29.0
Long-term Debt	1,900.3
Preferred Stock	-
Common Equity	2,090.6
Total Capitalization	$4,019.9
Pretax Interest Coverage	
Including AFUDC	2.94 times
Excluding AFUDC	2.87 times
Debt Interest Requirements	$135.3
Preferred Stock Dividends	-

Expenses of the Issues

2006 HCIDA Bonds

The 2006 HCIDA Bonds were remarketed to the public at an initial offering price of 100 percent of their face amount and were underwritten as indicated below:

	Amount Underwritten	Underwriting Fee
J.P. Morgan Securities, Inc.	$28,650,000	$114,600
Merrill Lynch, Pierce, Fenner & Smith Inc.	28,650,000	114,600
SunTrust Robinson Humphrey, Inc.	28,650,000	114,600
Total	$85,950,000	$343,800

Actual expenses incurred to date for this issuance are as follows:

Underwriting fee	$343,000
Miscellaneous Underwriting expenses	11,928
Legal fees and expenses of Company counsel	73,584
Legal fees and expenses of Underwriters' counsel	70,812
Legal fees and expenses of Trustee's counsel	3,087
Printing	18,669
Trustee fees	1,500
Fees and expenses of accountants	18,984
Total	$542,364

2007A HCIDA Bonds

The 2007A HCIDA Bonds were remarketed to the public at an initial offering price of 100 percent of their face amount and were underwritten as indicated below:

	Amount Underwritten	Underwriting Fee
J.P. Morgan Securities, Inc.	$27,100,000	$162,600
SunTrust Robinson Humphrey, Inc.	27,100,000	162,600
Total	$54,200,000	$325,200

Actual expenses incurred to date for this issuance are as follows:

Underwriting fee	$325,200
Miscellaneous Underwriting expenses	7,168
Legal fees and expenses of Company counsel	48,820
Legal fees and expenses of Underwriters' counsel	36,276
Legal fees and expenses of Trustee's counsel	1,947
Authority fees	7,650
Printing	4,960
Trustee fees	1,500
Fees and expenses of accountants	6,913
Total	$440,434

2007B HCIDA Bonds

The 2007B HCIDA Bonds were remarketed to the public at an initial offering price of 100 percent of their face amount and were underwritten as indicated below:

	Amount Underwritten	Underwriting Fee
UBS Securities LLC	$25,800,000	$129,000
Citigroup Global Markets, Inc.	25,800,000	129,000
Total	$51,600,000	$258,000

Actual expenses incurred to date for this issuance are as follows:

Underwriting fee	$258,000
Miscellaneous Underwriting expenses	11,555
Legal fees and expenses of Company counsel	46,421
Legal fees and expenses of Underwriters' counsel	34,536
Legal fees and expenses of Trustee's counsel	1,853
Authority fees	7,350
Printing	4,722
Trustee fees	1,500
Fees and expenses of accountants	6,581
Total	$372,518

2008 Notes

The 2008 Notes were offered to the public at an initial offering price of 100 percent of their face amount and were underwritten as indicated below:

	Amount Underwritten	Underwriting Fee
Morgan Stanley & Co. Incorporated	$52,500,000	$341,250
BNP Paribas Securities Corp.	52,500,000	341,250
Fifth Third Securities, Inc.	11,250,000	73,125
Morgan Keegan & Co. Inc.	11,250,000	73,125
SG Americas Securities, LLC	11,250,000	73,125
Wedbush Morgan Securities Inc.	11,250,000	73,125
Total	$150,000,000	$975,000

Actual expenses incurred to date for this issuance are as follows:

Underwriting fee	$975,000
Interest rate hedge	11,819,020
Legal fees and expenses of Company counsel	32,775
Legal fees and expenses of Trustee's counsel	3,621
Legal fees and expenses of Underwriters' counsel	1,491
Rating agency fees	48,750
Printing	17,528
Miscellaneous	13,826
Fees and expenses of accountants	42,483
Total	$12,954,494

Respectfully submitted this 31st day of March 2009

TAMPA ELECTRIC COMPANY

By: Deirdre A. Brown

Deirdre A. Brown
Vice President, Customer Service and Regulatory Affairs

Consummation Report Exhibits

REMARKETING – NOT A NEW ISSUE

On the date of original issuance of the Bonds, Edwards Angell Palmer & Dodge LLP, Bond Counsel, delivered an opinion, based upon an analysis of then-existing law and assuming, among other matters, compliance with certain covenants, to the effect that interest on the Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1954, as amended, and Title XIII of the Tax Reform Act of 1986, except that no opinion is expressed as to the status of interest on any Bond for any period that such Bond is held by a "substantial user" of the facilities financed or refinanced by the Bonds or by a "related person" within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended. Such opinion stated that (i) interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income and (ii) under Florida Statutes §159.31, as in effect on the date of issuance of the Bonds, the Bonds, their transfer and the income therefrom are free from taxation in the State of Florida, except for taxes imposed by Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations. In the opinion of Bond Counsel, the Conversion of the Bonds on the Conversion Date will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes. Bond Counsel expressed and expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See "TAX EXEMPTION" herein.

HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
(Florida)
$85,950,000
Pollution Control Revenue Refunding Bonds
(Tampa Electric Company Project), Series 2006
(Non-AMT)

Due: December 1, 2034

The Bonds will bear interest from March 19, 2008 (the "Conversion Date") until March 15, 2012 (the "Initial Long-Term Interest Rate Period") at a Long-Term Interest Rate. During the Initial Long-Term Interest Rate Period, the Bonds will bear interest at 5.0% per annum. The Bonds will be subject to mandatory tender for purchase on March 15, 2012, at a purchase price equal to 100% of the principal amount thereof plus accrued interest thereon. Interest on the Bonds will be payable semi-annually on March 1 and September 1 of each year, commencing on September 1, 2008, and on March 15, 2012. Principal of, and premium, if any, will be payable at the principal corporate trust office of The Bank of New York Trust Company, N.A., Jacksonville, Florida, the Paying Agent, Tender Agent and Registrar of the Bonds. **The Bonds are not supported by a liquidity facility. The only sources for the purchase of Bonds tendered at the end of the Initial Long-Term Interest Rate Period will be proceeds of remarketing of the Bonds and monies furnished by the Company for such purchase. If the Bonds are not purchased at the end of the Initial Long-Term Interest Rate Period, they shall bear interest from the end of the Initial Long-Term Interest Rate Period until purchased at the rate of 14% per annum.**

Subsequent to the Initial Long-Term Interest Rate Period, the Bonds may be converted to bear interest at other adjustable rates or Long-Term Interest Rates to maturity, as determined in accordance with the Loan and Trust Agreement.

The Bonds are limited obligations of the Hillsborough County Industrial Development Authority (the "Authority") and are payable solely from the payments to be made under a Loan and Trust Agreement among

TAMPA ELECTRIC COMPANY

(the "Company"), the Authority and The Bank of New York Trust Company, N.A., as Trustee.

Regularly scheduled payments of the principal of, and interest on, the Bonds when due will be insured by a Financial Guaranty Insurance Policy issued by Ambac Assurance Corporation (the "Bond Insurer"), which is more fully described under the heading "BOND INSURANCE" in this Remarketing Supplement.

The Bonds are not a new issuance but were originally issued in January 2006. The Bonds are being remarketed by J.P. Morgan Securities Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated and SunTrust Robinson Humphrey, Inc., as remarketing agents (collectively, the "Remarketing Agents") pursuant to the provisions of the Loan and Trust Agreement for converting the interest rate on the Bonds from an auction rate to a long-term rate.

The Bonds are in the form of fully registered bonds registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC is acting as securities depository for the Bonds. Purchases will be made only in book-entry form through DTC participants in denominations of $5,000 and any integral multiple thereof and no physical delivery of Bonds will be made to purchasers. Ownership interests in the Bonds will be shown on, and the transfer thereof will be effected only through, records maintained by DTC and its participants. So long as DTC or its nominee is the registered owner of the Bonds, reference herein to Owners or registered Owners shall mean Cede & Co., as aforesaid, and payments of principal and interest on the Bonds will be made directly to DTC by the Trustee. Disbursement of such payments to DTC participants will be the responsibility of DTC and disbursement of such payments to the beneficial Owners will be the responsibility of DTC participants. For more information refer to the "BOOK-ENTRY ONLY SYSTEM" section in the 2006 Official Statement.

The Bonds are subject to mandatory and optional redemption by the Company as described herein. See "THE BONDS – Redemption of the Bonds" in this Remarketing Supplement.

PRICE: 100%

THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY. THE BONDS DO NOT CONSTITUTE A DEBT OF THE AUTHORITY, HILLSBOROUGH COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF UNDER ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER AND SHALL NEVER CONSTITUTE A CHARGE OR PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF SUCH ENTITIES. THE AUTHORITY HAS NO TAXING POWER.

The Bonds are remarketed by the Remarketing Agents subject to terms and conditions under a Remarketing Agreement among the Company and the Remarketing Agents. The remarketed Bonds are expected to be delivered to purchasers through DTC on March 19, 2008.

JPMorgan **Merrill Lynch & Co.** **SunTrust Robinson Humphrey**

Dated: March 12, 2008

No dealer, broker, salesperson or other person has been authorized by the Authority, the Company or the Remarketing Agents to give information or to make representations with respect to the Bonds other than those contained in this Remarketing Supplement in connection with the offers made hereby, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Remarketing Supplement does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not authorized, or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation. Certain information contained herein has been obtained from the Authority, the Company, The Depository Trust Company, the Bond Insurer and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation of the Authority. This Remarketing Supplement is submitted in connection with the sale of securities referred to herein and may not be used, in whole or in part, for any other purpose. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Remarketing Supplement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof.

The Remarketing Agents have provided the following sentence for inclusion in this Remarketing Supplement. The Remarketing Agents have reviewed the information in this Remarketing Supplement in accordance with, and as part of, their responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Remarketing Agents do not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS REMARKETING, THE REMARKETING AGENTS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE SECURITIES OFFERED HEREBY AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

The Bonds are not registered under the Securities Act of 1933, as amended, and are not listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal or other government entity or agency will have passed upon the adequacy of the 2006 Official Statement as supplemented hereby or, except for the Authority to the extent described herein, approved the Bonds for sale.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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SUPPLEMENT TO 2006 OFFICIAL STATEMENT

HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
(Florida)
$85,950,000
Pollution Control Revenue Refunding Bonds
(Tampa Electric Company Project)
Series 2006
(Non-AMT)

GENERAL INFORMATION

This Remarketing Supplement sets forth certain information with respect to $85,950,000 principal amount Hillsborough County Industrial Development Authority Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project), Series 2006 (the "Bonds").

The Bonds were originally issued pursuant to a Loan and Trust Agreement, dated as of January 5, 2006 (the "Agreement") among Hillsborough County Industrial Development Authority (the "Authority"), Tampa Electric Company (the "Company"), and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"). Pursuant to the Agreement, the proceeds of the Bonds were loaned to the Company and used for the purposes set forth in the Official Statement dated January 10, 2006 (the "2006 Official Statement") attached hereto as Appendix C. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Agreement.

The Bonds are limited obligations of the Authority, secured solely by a pledge and assignment by the Authority to the Trustee of certain of the Authority's rights under the Agreement and as more fully described in the 2006 Official Statement.

Upon the issuance and delivery of the Bonds, the Bonds initially bore interest in the Auction Rate Period at an Auction Mode Rate. The method of determining interest rates on the Bonds will be converted to the Long-Term Interest Rate method and will thus bear interest at a long-term interest rate (the "Initial Long-Term Interest Rate") on the Conversion Date specified on the cover page hereof for the four-year Initial Long-Term Interest Rate Period to March 15, 2012. Following the Initial Long-Term Interest Rate Period the Bonds will be subject to mandatory tender at which time the interest rate on the Bonds may be converted to a daily, weekly, commercial paper, auction rate or long-term rate determined in accordance with the applicable terms of the Agreement.

A brief description of the Bonds is included in this Remarketing Supplement and descriptions of the Authority and the Agreement are included in the 2006 Official Statement attached as Appendix C hereto. Information regarding the business, properties and financial condition of the Company is included in Appendix A attached hereto, and Appendix A to the 2006 Official Statement is deleted in its entirety and replaced by Appendix A hereof. Information regarding the Financial Guaranty Insurance Policy and Ambac Assurance Corporation are included in this Remarketing Supplement and replace the information under that heading on pages 3-5 of the 2006 Official Statement. The descriptions and summaries herein do not purport to be comprehensive or definitive, and reference is made to each document for the complete details of all terms and conditions. All statements herein are qualified in their entirety by reference to each such document. Terms not defined herein shall have the meanings set forth in the respective documents, copies of which may be obtained from the Remarketing Agents whose names appear on the cover page hereof.

THE AUTHORITY

The Authority is a public body corporate and politic and a public instrumentality created pursuant to the laws of the State of Florida. The Authority was created under the constitution of the State of Florida and Part III of Chapter 159, Florida Statutes, as amended, a Resolution of the Board of County Commissioners of Hillsborough County, Florida adopted October 29, 1971, as amended and supplemented, and other provisions of law (collectively, the "Act"). Under the Act, the Authority is authorized to issue its revenue bonds or other debt obligations for the purpose of financing and refinancing projects for public purposes and for the purpose of fostering the economic development of Hillsborough County, Florida.

USE OF PROCEEDS

The proceeds of the offering of the Bonds pursuant to this Remarketing Supplement will be applied on the Conversion Date to pay for the mandatory purchase of the outstanding Bonds currently bearing interest at an Auction Mode Rate. No proceeds of the Bonds will be paid to the Authority or the Company.

THE BONDS

This Remarketing Supplement does not provide any information regarding the Bonds after the date, if any, on which the Bonds convert to bear interest, as permitted by the Agreement, at an interest rate other than a Long-Term Interest Rate. Bonds are subject to mandatory tender in the event of any such conversion and at the end of the Initial Long-Term Interest Rate Period. See "Mandatory Tender for Purchase."

Certain features of the Bonds discussed under the heading "The Bonds" of the 2006 Official Statement applied to the Bonds only while in an Auction Mode Rate. The following description of the Bonds applies only in a Long-Term Interest Rate Period.

Initial Long-Term Interest Rate Period

The Bonds will be remarketed in the aggregate principal amount of $85,950,000 and shall bear interest at a Long-Term Interest Rate from March 19, 2008 to March 15, 2012 (the "Initial Long-Term Interest Rate Period") at 5.0% per annum (the "Initial Long-Term Interest Rate"). Interest on the Bonds will be payable semi-annually on March 1 and September 1 of each year, commencing September 1, 2008 and on March 15, 2012. Interest will be calculated on the basis of a 360-day year of twelve 30-day months. The Bonds mature on December 1, 2034. Following the Initial Long-Term Interest Rate Period, the interest rate on the Bonds may be converted to a Daily Rate, Auction Mode Rate, Commercial Paper Rate, Weekly Rate or another Long-Term Interest Rate of the same or a different length in accordance with the Agreement.

The Bonds shall be subject to mandatory tender on March 15, 2012, at the end of the Initial Long-Term Interest Rate Period at a purchase price equal to 100% of the principal amount thereof plus accrued interest thereon (the "Purchase Price").

While the Bonds are in the Initial Long-Term Interest Rate Period, the Bonds will not be subject to tender, conversion or remarketing.

At the end of the Initial Long-Term Interest Rate Period, the Bonds shall be subject to mandatory tender for purchase at the Purchase Price. The Purchase Price may be funded from proceeds of a remarketing of the Bonds or, if the Company shall elect (but is under no obligation to elect), from funds of the Company made available for such purchase. In the event the Bonds are not purchased at the end of the Initial Long-Term Interest Rate Period, the Bonds (i) shall be returned to their holders and remain outstanding, (ii) shall bear interest at 14% per annum from the last day of the Initial Long-Term Interest Rate Period until so purchased and (iii) shall be purchased upon the availability of remarketing proceeds to purchase such Bonds. In such event such Purchase Price shall not be considered due and payable so that no Event of Default shall be deemed to have occurred. The Company has agreed that before the end of the Initial Long-Term Interest Rate Period the Company will appoint a remarketing agent meeting the requirements set forth in the Agreement to use its best efforts to cause the Bonds to be remarketed (in

such Determination Method or Methods) on the last day of the Initial Long-Term Interest Rate Period or the first date thereafter on which all the Bonds can be sold at par, at a rate not exceeding the Maximum Rate, to provide funds to honor such mandatory tender.

The Bonds are not supported by a liquidity facility. The only sources for the purchase of the Bonds tendered at the end of the Initial Long-Term Interest Rate Period will be proceeds of remarketing of the Bonds and, if the Company shall elect (but is under no obligation to elect), funds furnished by the Company for such purchase. The Financial Guaranty Insurance Policy (hereinafter defined) does not insure the payment of the purchase price of tendered Bonds.

Mandatory Tender

So long as the Bonds are subject to subsequent Long-Term Interest Rate Periods, they shall be subject to mandatory tender at the end of such Long-Term Interest Rate Period as described above.

Notice of Tender

At least 30 days before each mandatory tender of Bonds in a Long-Term Interest Rate Period, the Trustee will mail a notice of tender by first-class mail to each Bondholder at such holder's registered address. Failure to give any required notice of tender as to any particular Bonds, or any defect therein, will not affect the validity of the tender of any Bonds in respect of which no failure or defect occurs. Any notice mailed as provided in this paragraph shall be effective when sent and will be conclusively presumed to have been given whether or not actually received by the addressee.

Purchase of Tendered Bonds

On each date when the Bonds are subject to mandatory tender and purchase pursuant to the Agreement, there will be purchased (but solely from funds received by the Trustee in accordance with the Agreement) the Bonds (or portions thereof) tendered (or deemed tendered) to the Trustee for purchase in accordance with, and at the purchase price established under, the Agreement. Funds to pay the purchase price of such Bonds (or portions thereof) will be paid by the Trustee solely from the following sources and in the following order of priority:

(i) proceeds of the remarketing of such Bonds to persons other than the Company, the affiliates of the Company and the Authority and furnished immediately to the Trustee by the remarketing agent and deposited directly into and held continuously in, the Remarketing Proceeds Account; and

(ii) any other monies furnished by the Company or otherwise available for the payment of the purchase price and proceeds from the investment thereof.

In no event shall the Purchase Price of tendered Bonds be payable under the Financial Guaranty Insurance Policy.

Undelivered Bonds

If a Bond is tendered for purchase in accordance with the Agreement and funds are deposited with the Trustee sufficient for the purchase, the Trustee upon request of the Company or the remarketing agent will authenticate a new Bond in the same maturity and in the same denomination registered as the Company or the remarketing agent may direct and deliver it to the Company or upon the Company's order, whether or not the Bond purchased is ever delivered, and the undelivered Bonds shall be canceled on the books of the Trustee, whether or not said undelivered Bonds have been delivered to the Trustee. From and after the purchase date, interest on such Bond shall cease to be payable to the prior holder thereof, such holder shall cease to be entitled to the benefits or security of the Agreement and shall have recourse solely to the funds held by the Trustee for the purchase of such Bond, and the Trustee shall not register any further transfer of such Bond by such prior holder. If Bonds to be purchased are not delivered by the holders by 12:00 noon, New York City time, on any purchase date, the Trustee shall hold any funds received for the purchase of those Bonds in trust in a separate account and shall pay such funds to the former

owners of the Bonds upon presentation of the Bonds. All funds held by the Trustee for the purchase of undelivered Bonds shall be held uninvested.

Redemption

Optional Redemption. The Bonds are not subject to optional redemption prior to the end of the Initial Long-Term Interest Rate Period.

During any subsequent Long-Term Interest Rate Period, if such Long-Term Interest Rate Period is less than or equal to five years, the Bonds will not be subject to optional redemption during such Long-Term Interest Rate Period.

If a subsequent Long-Term Interest Rate Period is greater than five years, the Bonds will not be redeemable for five years after the date on which the Bonds begin to bear interest at the Long-Term Interest Rate. After the applicable no call period, the Bonds may be redeemed at any time in whole or in part at 100% of their principal amount plus accrued interest, if any.

As an alternative to and in lieu of the foregoing redemption provisions, if, with respect to any Long-Term Interest Rate Period after the Initial Long-Term Interest Rate Period, a Favorable Opinion of Tax Counsel is delivered to the Trustee not later than the date of the establishment of such Long-Term Interest Rate Period, the Bonds may be redeemed during such Long-Term Interest Rate Period at the option of the Company in whole or in part at any time after a no-call period, if any, established by the remarketing agent appointed by the Company at such time, at the percentages of their principal amount, plus accrued interest, as follows: such remarketing agent shall, given the duration of the Long-Term Interest Rate Period, determine and inform the Trustee and the Company, on a date which is no later than the establishment of the Long-Term Interest Rate, the periods during which the Bonds shall not be subject to redemption (the "Call Protection Period"), the premium or premiums payable upon redemption (the "Call Premiums"), if any, applicable to the redemption of Bonds after the Call Protection Period, and the period or periods during which the Call Premiums shall be effective (the "Call Premium Periods") necessary to establish the Long-Term Interest Rate. Such Call Protection Period, Call Premiums and Call Premium Periods shall be established in accordance with optional call redemption provisions which, in the judgment of such remarketing agent, are generally accepted at the time of determination as the standard features for obligations such as the Bonds, given the length of the Long-Term Interest Rate Period.

Extraordinary Optional Redemption. The Bonds are subject to extraordinary optional redemption prior to maturity at the option of the Company, by notice to the Trustee and the Authority, in whole, at any time, at a redemption price equal to the principal amount of the outstanding Bonds, plus accrued interest thereon to the date of redemption, without premium, on any date selected by the Company, but not less than 45 days after nor more than 180 days after the Company shall have given notice of its exercise of the right to make such prepayment. The Company may exercise its right to cause the Bonds to be redeemed at its option, if:

(i) In the opinion of the Company, the continued operation by the Company of all or substantially all of the Units (as defined in the Agreement) is impracticable, uneconomical or undesirable due to (A) the imposition of taxes or other liabilities or burdens not being imposed as of the date of the Bonds, (B) changes in technology or in the economic availability of raw materials or operating supplies or equipment or (C) destruction of or damage to all or a substantial portion of such Units; *provided, however,* that the Company may not exercise its right to redeem the Bonds for reasons described in this clause (i) if any portion of the redemption price is to be paid from the proceeds of tax-exempt bonds;

(ii) All or substantially all of the Units shall have been condemned or taken by eminent domain;

(iii) The operation by the Company of all or substantially all of the Units shall have been enjoined and the Company shall have been prevented from carrying on normal operations at such Units for a period of six months or more; or

(iv) In the event the First Mortgage Bonds (as defined in the Agreement) have been issued, all or substantially all the mortgaged and pledged property constituting bondable property (as defined in the First Mortgage) which at the time shall be subject to the lien of the First Mortgage as a first lien shall be released from the lien of the First Mortgage pursuant to the provisions thereof, and available moneys in the hands of the trustee or trustees at the time serving as such under the First Mortgage, including any moneys deposited by the Company available for the purpose, are sufficient to redeem all the first mortgage bonds of all series issued pursuant to the First Mortgage at the redemption prices (together with accrued interest to the date of redemption) specified therein applicable to the redemption thereof upon the happening of such event.

Special Mandatory Redemption Upon Taxability. The Bonds are subject to special mandatory redemption prior to maturity at any time, as a whole or in part (and if in part, by lot or other customary means) if such partial redemption will preserve the exclusion of interest on the remaining Bonds outstanding from gross income for federal income tax purposes at a redemption price equal to the principal amount thereof, plus interest accrued to the redemption date, without premium, in the event that the interest payable on any Bond has become subject to federal income tax in accordance with the Agreement. Any such redemption shall be made not later than 180 days from the date of such determination.

Notice of Redemption. Whenever Bonds are to be redeemed, the Trustee shall give notice of redemption by mailing a copy of the redemption notice to the registered owner of each Bond to be redeemed, at least 30 days prior to the redemption date, as provided in the Agreement. Unless funds sufficient to pay the redemption price have been received by the Trustee prior to the giving of notice of redemption, the notice may state that such redemption is conditional upon receipt of such moneys.

Selection of Bonds for Redemption. If less than all of the Bonds are to be redeemed, the portion of the Bonds to be redeemed will be selected by the Trustee by lot or in any customary manner of selection as determined by the Trustee; provided, however, that so long as DTC or its nominee is the Bondholder with respect to such Bonds, the particular portions of the Bonds to be redeemed shall be selected by DTC in such manner as DTC may determine.

During the period that DTC or the DTC nominee is the registered holder of the Bonds, the Trustee will not be responsible for mailing notices of redemption, or other notices described herein, to the Beneficial Owners of the Bonds. See the 2006 Official Statement "THE BONDS—Book-Entry Only System." So long as CEDE & Co., as nominee of DTC, is the registered owner of the Bonds, all notices of redemption will be sent only to CEDE & Co. and delivery of notice of redemption to DTC Participants, if any, is solely the responsibility of DTC (see the 2006 Official Statement "THE BONDS – Book-Entry Only System").

Effect of Notice. When notice is required and given, Bonds called for redemption become due and payable on the redemption date; in such case when funds are deposited with the Trustee sufficient for redemption, interest on the Bonds to be redeemed ceases to accrue as of the date of redemption.

BOND INSURANCE

NO REPRESENTATION IS MADE BY THE AUTHORITY, THE COMPANY OR THE REMARKETING AGENTS AS TO THE ACCURACY, COMPLETENESS OR ADEQUACY OF THE FOLLOWING INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION OR THE FINANCIAL CONDITION OF THE BOND INSURER SUBSEQUENT TO THE DATE OF THIS REMARKETING SUPPLEMENT.

Payment Pursuant to Financial Guaranty Insurance Policy

Ambac Assurance Corporation ("Ambac Assurance") has issued a financial guaranty insurance policy (the "Financial Guaranty Insurance Policy") relating to the Bonds, effective as of the original date of issuance of the Bonds. Under the terms of the Financial Guaranty Insurance Policy, Ambac Assurance will pay to The Bank of New York, in New York, New York, or any successor thereto (the "Insurance Trustee"), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the

Obligor (as such terms are defined in the Financial Guaranty Insurance Policy). Ambac Assurance will make such payments to the Insurance Trustee on the later of the date on which such principal and/or interest becomes Due for Payment or within one business day following the date on which Ambac Assurance shall have received notice of Nonpayment from the Trustee. The insurance will extend for the term of the Bonds and, once issued, cannot be canceled by Ambac Assurance.

The Financial Guaranty Insurance Policy will insure payment only on stated maturity dates and on mandatory sinking fund installment dates, in the case of principal, and on stated dates for payment, in the case of interest. If the Bonds become subject to mandatory redemption and insufficient funds are available for redemption of all outstanding Bonds, Ambac Assurance will remain obligated to pay the principal of and interest on outstanding Bonds on the originally scheduled interest and principal payment dates, including mandatory sinking fund redemption dates. In the event of any acceleration of the principal of the Bonds, the insured payments will be made at such times and in such amounts as would have been made had there not been an acceleration, except to the extent that Ambac Assurance elects, in its sole discretion, to pay all or a portion of the accelerated principal and interest accrued thereon to the date of acceleration (to the extent unpaid by the Obligor). Upon payment of all such accelerated principal and interest accrued to the acceleration date, Ambac Assurance's obligations under the Financial Guaranty Insurance Policy shall be fully discharged.

In the event the Trustee has notice that any payment of principal of or interest on a Bond that has become Due for Payment and that is made to a holder by or on behalf of the Obligor has been deemed a preferential transfer and theretofore recovered from its registered owner pursuant to the United States Bankruptcy Code in accordance with a final, non-appealable order of a court of competent jurisdiction, such registered owner will be entitled to payment from Ambac Assurance to the extent of such recovery if sufficient funds are not otherwise available.

The Financial Guaranty Insurance Policy does not insure any risk other than Nonpayment (as set forth in the Financial Guaranty Insurance Policy). Specifically, the Financial Guaranty Insurance Policy does not cover:

1. payment on acceleration, as a result of a call for redemption (other than mandatory sinking fund redemption) or as a result of any other advancement of maturity;

2. payment of any redemption, prepayment or acceleration premium; and

3. nonpayment of principal or interest caused by the insolvency or negligence of the Trustee, Paying Agent or Bond Registrar, if any.

If it becomes necessary to call upon the Financial Guaranty Insurance Policy, payment of principal requires surrender of the Bonds to the Insurance Trustee together with an appropriate instrument of assignment so as to permit ownership of such Bonds to be registered in the name of Ambac Assurance to the extent of the payment under the Financial Guaranty Insurance Policy. Payment of interest pursuant to the Financial Guaranty Insurance Policy requires proof of holder entitlement to interest payments and an appropriate assignment of the holder's right to payment to Ambac Assurance.

Upon payment of the insurance benefits, Ambac Assurance will become the owner of the Bond, appurtenant coupon, if any, or right to payment of the principal of or interest on such Bond and will be fully subrogated to the surrendering holder's rights to payment.

The insurance provided by the Financial Guaranty Insurance Policy is not covered by the Florida Insurance Guaranty Association.

Ambac Assurance Corporation

Ambac Assurance is a Wisconsin-domiciled stock insurance corporation regulated by the Office of the Commissioner of Insurance of the State of Wisconsin, and is licensed to do business in 50 states, the District of Columbia, the Territory of Guam, the Commonwealth of Puerto Rico and the U.S. Virgin Islands, with admitted assets of approximately $10,792,000,000 (unaudited) and statutory capital of approximately $6,409,000,000

(unaudited) as of December 31, 2007. Statutory capital consists of Ambac Assurance's policyholders' surplus and statutory contingency reserve.

Ambac Assurance has been assigned the following financial strength ratings by the following rating agencies: Aaa, with negative outlook, by Moody's Investors Service, Inc.; AAA, with a negative outlook, by Standard and Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.; and AA, with a negative outlook, by Fitch Ratings.

Ambac Assurance has obtained a ruling from the Internal Revenue Service to the effect that the insuring of an obligation by Ambac Assurance will not affect the treatment for federal income tax purposes of interest on such obligation and that insurance proceeds representing maturing interest paid by Ambac Assurance under policy provisions substantially identical to those contained in the Financial Guaranty Insurance Policy shall be treated for federal income tax purposes in the same manner as if such payments were made by the Obligor.

Ambac Assurance makes no representation regarding the Bonds or the advisability of investing in the Bonds and makes no representation regarding, nor has it participated in the preparation of, this Remarketing Supplement other than the information supplied by Ambac Assurance and presented under the heading "BOND INSURANCE".

Available Information

The parent company of Ambac Assurance, Ambac Financial Group, Inc. ("AFG"), is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). These reports, proxy statements and other information can be read and copied at the Commission's public reference room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the Commission at 1-800-SEC-0330 for further information on the public reference room. The Commission maintains an internet site at http://www.sec.gov that contains reports, proxy and information statements and other information regarding companies that file electronically with the Commission, including AFG. These reports, proxy statements and other information can also be read at Ambac Assurance's internet website at www.ambac.com and at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005.

Copies of Ambac Assurance's financial statements prepared on the basis of accounting practices prescribed or permitted by the State of Wisconsin Office of the Commissioner of Insurance are available without charge from Ambac Assurance. The address of Ambac Assurance's administrative offices is One State Street Plaza, 19th Floor, New York, New York 10004, and its telephone number is (212) 668-0340.

Incorporation of Certain Documents by Reference

The following documents filed by the Company with the Commission (File No. 1-10777) are incorporated by reference in this Remarketing Supplement:

1. AFG's Annual Report on Form 10-K for the fiscal year ended December 31, 2007 and filed on February 29, 2008;

2. AFG's Current Report on Form 8-K dated and filed on March 7, 2008; and

3. AFG's two Current Reports on Form 8-K each dated and filed on March 12, 2008.

Ambac Assurance's consolidated financial statements and all other information relating to Ambac Assurance and subsidiaries included in AFG's periodic reports filed with the Commission subsequent to the date of this Remarketing Supplement and prior to the date of closing of the Bonds shall, to the extent filed (rather than furnished pursuant to Item 9 of Form 8-K), be deemed to be incorporated by reference into this Remarketing Supplement and to be a part hereof from the respective dates of filing of such reports.

Any statement contained in a document incorporated in this Remarketing Supplement by reference shall be modified or superseded for the purposes of this Remarketing Supplement to the extent that a statement contained in a subsequently filed document incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Remarketing Supplement.

Copies of all information regarding Ambac Assurance that is incorporated by reference in this Remarketing Supplement are available for inspection in the same manner as described above in "Available Information."

All documents subsequently filed by AFG pursuant to the requirements of the Exchange Act after the date of this Remarketing Supplement will be available for inspection in the same manner as described above in "Available Information."

RIGHTS OF THE BOND INSURER

Notwithstanding anything in the Agreement to the contrary, for so long as the Financial Guaranty Insurance Policy shall be in full force and effect and provided that the Bond Insurer shall not have defaulted and is not continuing to default on its obligations under the Financial Guaranty Insurance Policy, (1) the Bond Insurer shall be deemed to be the sole owner of all Bonds for all purposes of the provisions in the Agreement relating to default by the Company and actions for protection of the Bondholders and (2) the Bond Insurer shall be deemed to be the sole owner of all Bonds at all times for the purpose of giving consent and direction when consent of the Bondholders is required by the Agreement, other than for the purpose of making amendments which pursuant to the Agreement require the unanimous written consent of the affected Bondholders. If the Bond Insurer pays the principal or interest on any Bonds pursuant to the terms of the Financial Guaranty Insurance Policy, the Bond Insurer will be subrogated to all the rights of the owners of such Bonds granted under the Agreement, including the right to receive payment of principal and interest on, the Bonds. The Bond Insurer shall have no rights under the Agreement, other than the rights of subrogation to the extent that it has made payments under the Policy, in the event the Bond Insurer is in default of its payment obligations under the Financial Guaranty Insurance Policy.

TAX EXEMPTION

On January 19, 2006, Edwards Angell Palmer & Dodge LLP, Bond Counsel to the Company ("Bond Counsel"), delivered an opinion (the "2006 Opinion"), based upon an analysis of then-existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, to the effect that: interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1954, as amended (the "Code"), and Title XIII of the Tax Reform Act of 1986, except that no opinion is expressed as to the status of interest on any Bond for any period that such Bond is held by a "substantial user" of the facilities financed or refinanced by the Bonds or by a "related person" within the meaning of Section 103(b)(13) of the Code. The 2006 Opinion stated that Bond Counsel was of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observed that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. On the Conversion Date, Bond Counsel will deliver its opinion (the "Conversion Opinion") that, as of the Conversion Date and under existing law as of the Conversion Date, the Conversion will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes. Bond Counsel expressed and expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. Bond Counsel is not updating or reissuing the 2006 Opinion in connection with the Conversion.

Title XIII of the Tax Reform Act of 1986 and Section 103 of the Code impose various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. Failure to comply with these requirements may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The Authority and the Company have covenanted to comply with such requirements to ensure that interest on the Bonds will not be included in federal gross income. The 2006 Opinion and the Conversion Opinion of Bond Counsel assume compliance with these covenants.

The 2006 Opinion further stated that, under then-existing Florida law, the Bonds, their transfer, and the income therefrom (including any profit on the sale thereof) will be free from taxation by the State of Florida or any local unit, political subdivision or instrumentality thereof, except for taxes imposed by Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations.

Complete copies of the 2006 Opinion and the proposed form of the Conversion Opinion are set forth in Appendix C to the 2006 Official Statement, attached hereto as Appendix C and Appendix B, attached hereto. The 2006 Opinion is provided for reference only and is not being updated or reissued on the Conversion Date.

Prospective Bondholders should be aware that certain requirements and procedures contained or referred to in the Agreement, and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds or after the Conversion Date may adversely affect the value of, or the tax status of interest on, the Bonds. Further, no assurance can be given that pending or future legislation, including amendments to the Code, if enacted into law, or any proposed legislation, including amendments to the Code, or any future judicial, regulatory or administrative interpretation or development with respect to existing law, will not adversely affect the value of, or the tax status of interest on, the Bonds. Prospective Bondholders are urged to consult their own tax advisors with respect to proposals to restructure the federal income tax.

Although the 2006 Opinion stated that interest on the Bonds is excluded from gross income for federal income tax purposes and that the Bonds, and the interest thereon are exempt from taxation under existing laws of the State of Florida, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect a Bondholder's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Bondholder or the Bondholder's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences, and Bondholders should consult with their own tax advisors with respect to such consequences.

CONTINUING DISCLOSURE

No financial or operating data concerning the Authority is material to any decision to purchase, hold or sell the Bonds, and the Authority will not provide any such information. The Company has undertaken all responsibilities for any continuing disclosure to Bondholders as described below, and the Authority shall have no liability to the Bondholders or any other person with respect to such disclosures.

The Company has covenanted for the benefit of Bondholders to provide certain financial information and operating data relating to the Company for the prior fiscal year by not later than May 31 of each year beginning May 31, 2006 (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events, if deemed by the Company to be material. The Annual Report and notices of material events will be filed on behalf of the Company with each Nationally Recognized Municipal Securities Information Repository and with the appropriate State Repository if such repository is established. The specific nature of the information to be contained in the Annual Report or the notices of material events is summarized in Appendix D of the 2006 Official Statement — "FORM OF CONTINUING DISCLOSURE AGREEMENT". These covenants have been made in order to assist the Underwriters in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "SEC").

The Company is a reporting company under the Securities Exchange Act of 1934 and it files regular reports with the SEC. In addition, the Company is subject to continuing disclosure requirements under existing continuing disclosure agreements. The Company has previously complied with the filing requirements under such prior continuing disclosure agreements.

ADDITIONAL BOND TERMS AND RELATED DOCUMENTS

Descriptions of additional provisions of the Bonds and summaries of the Agreements are set forth in the 2006 Official Statement, and such information in the 2006 Official Statement is incorporated by reference herein and attached hereto as Appendix C, subject to any revision or modification of such information made to the description of the Bonds and related documents in this Remarketing Supplement.

RATINGS

The Bonds have been assigned the following financial strength ratings by the following rating agencies: Aaa, with negative outlook, by Moody's Investors Service, Inc.; AAA, with a negative outlook, by Standard and Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.; and AA, with a negative outlook, by Fitch Ratings. Each of these ratings is based on the Financial Guaranty Insurance Policy provided by the Bond Insurer.

Generally, rating agencies base their ratings on such information and materials and on investigations, studies and assumptions made by the rating agencies themselves. The rating agencies are currently reviewing the ratings of numerous municipal bond insurance providers, and there can be no assurance that the ratings based upon the Financial Guaranty Insurance Policy mentioned above will remain in effect for any given period of time or that they might not be lowered or withdrawn entirely by the rating agency, if in its judgment circumstances so warrant. Any downward change in rating outlook, a review for downgrade or a downgrade or withdrawal by a rating agency of a rating on a bond insurer, including but not limited to Ambac Assurance as Bond Insurer for the Bonds, may have an adverse effect on the market price or marketability of the Bonds. See "BOND INSURANCE" above for a discussion of the current rating status of the Bond Insurer.

The Company has been assigned the following senior unsecured ratings by the following credit rating agencies: Baa2, with a positive outlook, by Moody's Investors Service, Inc.; BBB-, with a stable outlook, by Standard and Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.; and BBB+, rating watch positive, by Fitch Ratings.

A credit rating is not a recommendation to buy, sell or hold securities. There is no assurance that the ratings will continue for any given period of time or that any that they might not be revised downward or withdrawn entirely by the rating agencies, if in their judgment circumstances so warrant. Any such downward revision or withdrawal of the ratings might have an adverse effect on the market price of the Bonds.

REMARKETING

J.P. Morgan Securities Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated and SunTrust Robinson Humphrey, Inc., as Remarketing Agents, have agreed, subject to certain terms and conditions, to remarket the Bonds to the public on the terms and at a price specified on the cover page of this Remarketing Supplement. The Company has agreed to pay to the Remarketing Agents, in connection with the remarketing of the Bonds, as consideration for their agreement to remarket the Bonds, a fee equal to 0.40% of the aggregate principal amount of the Bonds and reimbursement for certain expenses in connection therewith.

The Company has agreed to indemnify the Remarketing Agents against certain liabilities, including liabilities under the federal securities laws, in connection with the offering of the Bonds pursuant to this Remarketing Supplement.

In the ordinary course of their respective businesses, the Remarketing Agents and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with the Company and/or its affiliates.

OTHER COMPANY AUCTION RATE SECURITIES

In addition to the Bonds, the Company's outstanding indebtedness includes obligations in respect of four series of tax-exempt municipal bonds bearing interest in auction mode rates. These are the $75 million Polk County

Industrial Development Authority Solid Waste Disposal Facility Revenue Refunding Bonds (Tampa Electric Company Project), Series 2007 and the $125.8 million Hillsborough County Industrial Development Authority Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project), Series 2007A, 2007B and 2007C (collectively, the "2007 Auction Rate Bonds"). The 2007 Auction Rate Bonds are insured by a municipal bond insurance provider other than the Bond Insurer.

The Company has notified the indenture trustee for each series of the 2007 Auction Rate Bonds that it intends to purchase in lieu of redemption the 2007 Auction Rate Bonds on March 26, 2008. The Company does not intend to extinguish or cancel the 2007 Auction Rate Bonds upon such purchase. The Company is evaluating its alternatives for the 2007 Auction Rate Bonds once purchased, including amending the 2007 Auction Rate Bonds and reselling them in a fixed interest rate mode. The Company expects to finance the purchase on an interim basis by drawing on its revolving credit facilities. As of December 31, 2007, the Company had liquidity of approximately $461.9 million consisting of approximately $450.0 million in the aggregate available undrawn on its two credit facilities and approximately $11.9 million in cash and cash equivalents.

LEGALITY

Edwards Angell Palmer & Dodge LLP, Boston, Massachusetts acted as Bond Counsel in connection with the original issuance of the Bonds and in connection with the remarketing of the Bonds as contemplated in this Remarketing Supplement. David E. Schwartz, Associate General Counsel for the Company, and Edwards Angell Palmer & Dodge LLP, as counsel to the Company, will each pass upon certain legal matters for the Company. Certain legal matters will be passed upon for the Remarketing Agents by Ropes & Gray LLP, counsel for the Remarketing Agents. Edwards Angell Palmer & Dodge LLP acted as counsel for the Company in connection with the remarketing of the Bonds and acts as counsel from time to time in matters for the Company and certain of its affiliates. Ropes & Gray LLP acts as counsel from time to time in matters for the Company and certain of its affiliates.

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APPENDIX A
TAMPA ELECTRIC COMPANY[1]

Tampa Electric, a division of Tampa Electric Company (the "Company"), provides electric energy and related services to over 668,000 residential, commercial and industrial customers in its West Central Florida service area covering approximately 2,000 square miles, including the City of Tampa and the surrounding areas. Tampa Electric has a total net winter generating capacity of 4,602 megawatts in operation, and is constructing additional capacity to serve its growing customer base. Peoples Gas System, a division of the Company, is Florida's leading provider of natural gas. With a presence in most of Florida's major metropolitan areas, it serves over 334,000 residential and commercial customers. Annual natural gas throughput (the amount of gas delivered to its customers, including transportation-only service) in 2007 was 1.4 billion therms. Peoples Gas System is continuing its expansion into other areas of Florida previously unserved by natural gas.

The Company is a subsidiary of TECO Energy, Inc., a Florida corporation, the common stock of which is traded on the New York Stock Exchange.

The principal executive offices of the Company are located at TECO Plaza, 702 North Franklin Street, Tampa, Florida 33602, telephone (813) 228-4111.

AVAILABLE INFORMATION

The Company is subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "1934 Act") and files reports and other information with the Commission. Such reports and other information can be inspected and copied at the public reference room maintained by the Commission at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the Commission at 1-800-SEC-0330 for further information on the public reference room. The Company's filings with the Commission are also available to the public on the Commission's website at http://www.sec.gov. Copies of the Company's reports on Forms 10-K, 10-Q and certain 8-K's filed by the Company with the Commission are filed jointly with similar reports filed by TECO Energy, Inc. and thus are also available on TECO Energy, Inc.'s website at www.tecoenergy.com. TECO Energy, Inc.'s website is not part of this Remarketing Supplement.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Company hereby incorporates by reference its Annual Report on Form 10-K for the fiscal year ended December 31, 2007 filed with the Commission on February 28, 2008, its Amended Annual Report on Form 10-K/A for the fiscal year ended December 31, 2007 filed with the Commission on March 7, 2008 and its Current Report on Form 8-K dated and filed on February 25, 2008 and all documents hereafter filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the 1934 Act prior to the termination of the offering made by the Remarketing Supplement.

The Company hereby undertakes to provide without charge to each person to whom a copy of this Remarketing Supplement has been delivered, at the written request of such person, a copy of any or all of the documents referred to above that have been or may be incorporated in this Appendix by reference, other than exhibits to such documents. Written requests for such copies should be directed to Director of Investor Relations, Tampa Electric Company, P.O. Box 111, Tampa, Florida 33601.

The data contained in this Appendix is furnished solely to provide limited information regarding the Company and does not purport to be comprehensive. Such data is qualified in its entirety by reference to the

[1] The information contained in this Appendix to the Remarketing Supplement has been obtained from Tampa Electric Company and speaks as of March 12, 2008. Neither the Authority nor the Remarketing Agents make any representation as to the accuracy and completeness of the information contained in this Appendix.

detailed information and financial statements appearing in the documents incorporated herein by reference and, therefore, should be read together therewith.

You should rely only on the information contained or incorporated by reference in this Appendix. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information appearing in this Appendix and the documents incorporated by reference in this Appendix is accurate only as of the dates of this Remarketing Supplement or those documents incorporated by reference. The Company's business, financial condition, results of operations and prospects may have changed since those dates.

INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTING FIRM

The financial statements of the Company as of and for each of the three years in the period ended December 31, 2007, incorporated herein by reference, have been audited by PricewaterhouseCoopers LLP, an independent registered certified public accounting firm as stated in their report, which is also incorporated herein by reference.

APPENDIX B
FORM OF OPINION OF BOND COUNSEL

[Letterhead of Edwards Angell Palmer & Dodge LLP]

_____, 2008

Hillsborough County Industrial Development Authority
c/o Morrison & Mills, P.A.
1200 West Platt Street, Suite 100
Tampa, Florida 33606
Attention: Thomas Morrison, Esq.

The Bank of New York Trust Company, N.A.,
as Trustee
10161 Centurion Parkway
Jacksonville, Florida 32256
Attn: Corporate Trust Department

Ambac Assurance Corporation, as Bond Insurer
One State Street Plaza, 15th Floor
New York, New York 10004
Attention: Surveillance Department

Re: $85,950,000 Hillsborough County Industrial Development Authority Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project), Series 2006

We are acting as Bond Counsel to Tampa Electric Company (the "Company") in connection with the conversion of the above-referenced bonds (the "Bonds") from the Auction Rate Period to the Long-Term Interest Period (the "Conversion") on March 19, 2008 (the "Conversion Date") in accordance with the terms of the Loan and Trust Agreement (the "Agreement") dated as of January 5, 2006 among the Hillsborough County Industrial Development Authority, the Company and The Bank of New York Trust Company, N.A, as trustee.

We are delivering this opinion to you in accordance with Section 3.03(b) of the Agreement.

We have examined the law and such certified proceedings and other papers, including the Agreement, as we have deemed necessary in order to render this opinion. Based on our examination, we are of the opinion, as of the date hereof and under existing law, that the proposed Conversion of the Bonds on the Conversion Date is permitted under the Act (as defined in the Agreement) and the Agreement and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds.

The foregoing opinion is limited to the matters addressed herein and is not to be construed as an update or reissue of our opinion dated January 19, 2006 with respect to the Bonds.

EDWARDS ANGELL PALMER & DODGE LLP

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APPENDIX C
OFFICIAL STATEMENT DATED JANUARY 10, 2006

NEW ISSUE BOOK-ENTRY ONLY

In the opinion of Edwards Angell Palmer & Dodge LLP, Bond Counsel, based upon an analysis of existing law and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1954, as amended, and Title XIII of the Tax Reform Act of 1986, except that no opinion is expressed as to the status of interest on any Bond for any period that such Bond is held by a "substantial user" of the facilities financed or refinanced by the Bonds or by a "related person" within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended. Interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Bond Counsel is also of the opinion that under Florida Statutes §159.31, as in effect on the date of this Official Statement, the Bonds, their transfer and the income therefrom will be free from taxation in the State of Florida, except for taxes imposed by Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations. See "TAX EXEMPTION" herein.

$85,950,000
HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
(Florida)
Pollution Control Revenue Refunding Bonds
(Tampa Electric Company Project)
Series 2006 (Non-AMT)*

Dated: Date of Delivery **Due: December 1, 2034**

The Bonds will be limited obligations of the Hillsborough County Industrial Development Authority (the "Authority") and are payable solely from the payments to be made under a Loan and Trust Agreement (the "Agreement") among

TAMPA ELECTRIC COMPANY

(the "Company"), the Authority and The Bank of New York Trust Company, N.A., as Trustee.

Regularly scheduled payments of the principal of, and interest on, the Bonds when due will be insured by a Financial Guaranty Insurance Policy to be issued by Ambac Assurance Corporation (the "Bond Insurer"), which is more fully described under "BOND INSURANCE."

Ambac

The Bonds will bear interest at an Auction Mode Rate from their date of original issuance and delivery (the "Issue Date") for the period to but not including January 25, 2006 (the "Initial Period"), at a rate established by the Underwriters (as identified below) prior to the Issue Date and thereafter at the Auction Mode Rate for each Auction Period. Interest on the Bonds will be adjusted based upon seven-day Auction Periods. The first Auction Date shall be January 24, 2006, the last Business Day of the Initial Period. Interest for each succeeding seven-day Auction Period will be payable on each successive Wednesday after the Initial Period, subject to certain exceptions described herein. Generally, the Interest Payment Date for an Auction Period will be the Business Day immediately following each Auction Period. The length of the Auction Period with respect to the Bonds may be changed at the option of the Company in accordance with the Agreement to any period having a length of five years or less.

This Official Statement has been prepared solely for use in connection with the initial offering of the Bonds and describes the terms of the Bonds while they bear interest at an Auction Mode Rate. It is not intended to provide any information relating to the Bonds while they bear interest in any other interest rate mode.

Upon satisfaction of certain conditions, the Bonds in the Auction Mode Rate may be converted to a different interest rate determination method as described herein. The Bonds are subject to mandatory tender for purchase at a purchase price equal to 100% of the principal amount thereof plus accrued interest to the purchase date, on the effective date of any conversion from the Auction Mode Rate to another interest rate determination method as described herein. The Bonds are also subject to redemption, in whole or in part, as described herein.

The Bonds will be issued as fully registered bonds and will be registered initially in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC acts as a securities depository for the Bonds. During an Auction Period, the Bonds will be issued in denominations of $25,000 and integral multiples thereof. Except under the limited circumstances described herein, Beneficial Owners of book-entry interests in Bonds will not receive certificates representing their interests. Payments of principal or purchase price of and interest on the Bonds will be made through DTC and disbursements of such payments to Beneficial Owners will be the responsibility of DTC and its Participants. See "THE BONDS—Book-Entry Only System." J.P. Morgan Securities Inc., Merrill Lynch & Co. and Morgan Keegan & Company, Inc. will act as Broker-Dealers for the Bonds. The Bank of New York will act as Auction Agent.

PRICE: 100%

THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY. THE BONDS WILL NOT CONSTITUTE A DEBT OF THE AUTHORITY, HILLSBOROUGH COUNTY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF UNDER ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER AND SHALL NEVER CONSTITUTE A CHARGE OR PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF SUCH ENTITIES. THE AUTHORITY HAS NO TAXING POWER.

The Bonds are offered when, as and if issued and received by the Underwriters, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of their legality and certain other matters by Edwards Angell Palmer & Dodge LLP, Boston, Massachusetts, Bond Counsel. Certain legal matters will be passed upon for the Company by Sheila M. McDevitt, General Counsel to the Company, for the Underwriters by their Counsel, Ropes & Gray LLP, Boston, Massachusetts and for the Authority by its Counsel, Morrison & Mills, P.A., Tampa, Florida. It is expected that the Bonds in definitive form will be available for delivery to DTC in New York, New York, or its custodial agent, on or about January 19, 2006.

JPMorgan **Merrill Lynch & Co.** **Morgan Keegan & Company, Inc.**

Dated: January 10, 2006

* Not subject to alternative minimum tax.

No dealer, broker, salesperson or other person has been authorized by the Authority, the Company or the Underwriters to give information or to make representations with respect to the Bonds, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. Certain information contained herein has been obtained from the Company, The Depository Trust Company, the Bond Insurer and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation of the Authority. This Official Statement is submitted in connection with the sale of securities referred to herein and may not be used, in whole or in part, for any other purpose. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE SECURITIES OFFERED HEREBY AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

The Bonds will not be registered under the Securities Act of 1933, as amended, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal or other government entity or agency will have passed upon the adequacy of this Official Statement or, except for the Authority to the extent described herein, approved the Bonds for sale.

NOTICE TO NEW HAMPSHIRE INVESTORS: IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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OFFICIAL STATEMENT

$85,950,000

HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
(Florida)
POLLUTION CONTROL REVENUE REFUNDING BONDS
(Tampa Electric Company Project)
Series 2006

INTRODUCTORY STATEMENT

This Official Statement of the Hillsborough County Industrial Development Authority (the "Authority"), a public body corporate and politic and a public instrumentality created pursuant to the laws of the State of Florida, sets forth certain information concerning the sale of $85,950,000 aggregate principal amount of the Authority's Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project), Series 2006 (the "Bonds"), to be dated as of the date stated on the cover page hereof, subject to prior redemption by the Authority or repurchase by Tampa Electric Company, a Florida corporation (the "Company"), as hereinafter described.

The Bonds are being issued to currently refund the Authority's Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project), Series 1994 outstanding in the principal amount of $85,950,000 (the "Refunded Bonds"). See "PLAN OF REFINANCING" herein.

The issuance and sale of the Bonds have been authorized by a Resolution adopted by the Authority on January 5, 2006. The Bonds will be issued under and pursuant to a Loan and Trust Agreement, dated as of January 5, 2006 (the "Agreement"), among the Authority, the Company and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"). Pursuant to the Agreement, the proceeds of the Bonds will be loaned to the Company. The principal of the loan to be made to the Company under the Agreement and premium, if any, and interest thereon are payable in installments due on the dates, in the amounts and in the manner necessary for the Authority to cause payment to be made to the holders of the Bonds of the principal of and premium, if any, and interest on the Bonds when and as the same shall become due, and will be assigned to the Trustee for such purpose pursuant to the Agreement.

The Bonds initially will bear interest at an Auction Mode Rate. The Initial Period for the Bonds shall be from the Issue Date to, but not including January 25, 2006. Thereafter the Bonds will have a seven-day Auction Period unless changed at the option of the Company, as provided in the Agreement. See "THE BONDS" below and Appendix E—"AUCTION PROCEDURES." The interest rate on the Bonds can be converted from the Auction Mode Rate to a Daily Rate, a Weekly Rate, a Commercial Paper Rate or a Long-Term Interest Rate in accordance with the Agreement, in each case following mandatory tender for purchase upon not less than 15 days' prior written notice to the owners of the Bonds. THIS OFFICIAL STATEMENT DOES NOT PROVIDE ANY INFORMATION REGARDING THE BONDS AFTER THE DATE, IF ANY, ON WHICH THE BONDS CONVERT TO BEAR INTEREST AT AN INTEREST RATE OTHER THAN AN AUCTION MODE RATE.

The Bonds will be issued in authorized denominations of $25,000 and multiples thereof and will be held by The Depository Trust Company ("DTC"), or its nominee, as securities depository with respect to the Bonds. See "THE BONDS—Book-Entry Only System."

Regularly scheduled payments of principal of, and interest on, the Bonds when due will be insured by a Financial Guaranty Insurance Policy (the "Policy") to be issued by Ambac Assurance Corporation (the "Bond Insurer"). See "BOND INSURANCE" and Appendix F— "SPECIMEN FINANCIAL GUARANTY INSURANCE POLICY."

The Bonds are limited obligations of the Authority, secured solely by a pledge and assignment by the Authority to the Trustee of certain of the Authority's rights under the Agreement, including its right to payments from the Company in amounts sufficient to pay the principal of and premium, if any, and interest on the Bonds.

The Bonds will not be deemed to constitute a debt, liability or obligation of any authority or county, or the State of Florida or any political subdivision thereof, including, without limitation, the Authority or Hillsborough County, Florida. The Authority has no taxing power.

This Official Statement briefly describes the Authority and the Bonds and summarizes certain provisions of the Agreement as well as other matters. The descriptions and summaries herein do not purport to be comprehensive or definitive, and reference is made to each document for the complete details of all terms and conditions. All statements herein are qualified in their entirety by reference to each such document. Terms not defined herein shall have the meanings set forth in the respective documents, copies of which may be obtained prior to the issuance of the Bonds from the Underwriters whose names appear on the cover page hereof and thereafter from the Company. Information concerning the Company is included in Appendix A attached hereto.

THE AUTHORITY

The Authority is a public body corporate and politic and a public instrumentality created pursuant to the laws of the State of Florida. The Authority was created under the constitution of the State of Florida and Part III of Chapter 159, Florida Statutes, as amended, a Resolution of the Board of County Commissioners of Hillsborough County, Florida adopted October 29, 1971, as amended and supplemented, and other provisions of law (collectively, the "Act"). Under the Act, the Authority is authorized to issue its revenue bonds or other debt obligations for the purpose of financing and refinancing projects for public purposes and for the purpose of fostering the economic development of Hillsborough County, Florida.

THE AUTHORITY IS ACTING AS A CONDUIT ISSUER WITH RESPECT TO THE BONDS, AND THE BONDS, TOGETHER WITH INTEREST AND PREMIUM, IF ANY, THEREON, SHALL CONSTITUTE LIMITED NONRECOURSE OBLIGATIONS OF THE AUTHORITY, SHALL NEVER CONSTITUTE A GENERAL OBLIGATION OF THE AUTHORITY, AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE AUTHORITY, HILLSBOROUGH COUNTY, FLORIDA OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF OR A CHARGE AGAINST THE GENERAL CREDIT OR THE TAXING POWER OF ANY OF THEM. THE AUTHORITY HAS NO TAXING POWER. THE BONDS AND THE INTEREST AND PREMIUM, IF ANY, THEREON SHALL BE PAYABLE SOLELY FROM THE FUNDS PAYABLE BY THE COMPANY UNDER THE AGREEMENT.

The Authority has not participated in the preparation of this Official Statement, other than this section, and makes no representation with respect to the accuracy or completeness of any of the material contained in this Official Statement. The Authority is not responsible for providing any purchaser of the Bonds with any information relating to the Bonds or the Agreement or any of the parties or transactions referred to in this Official Statement or for the accuracy or completeness of any such information obtained by any purchaser.

Disclosure Required by Section 517.051(1), Florida Statutes

Rule 69W-400.003, Rules of Government Securities, promulgated by the Florida Department of Banking and Finance, Division of Securities, under Section 517.051(1), Florida Statutes ("Rule 69W-400.003"), requires the Authority to disclose every default as to the payment of principal and interest with respect to obligations issued or guaranteed by the Authority after December 31, 1975. Rule 69W-400.003 further provides, however, that if the Authority, in good faith, believes that such disclosures would not be considered material by a reasonable investor, such disclosures may be omitted.

The Bonds do not constitute a general debt, liability or obligation of the Authority, but are instead secured by amounts paid under the Agreement and by other security discussed herein. The Bonds are not being offered on the basis of the financial strength of the Authority. Accordingly, the Authority, in good faith, believes that disclosure of any such default on bonds with respect to which the Authority was merely a conduit issuer and which

are secured solely by payments of the borrower under a loan agreement, lease agreement or installment sale agreement, would not be considered material by a reasonable investor in the Bonds.

BOND INSURANCE

The Bond Insurer has provided the following information for inclusion in this Official Statement. No representation is made by the Authority, the Company or the Underwriters as to the accuracy or completeness of this information.

Payment Pursuant to Financial Guaranty Insurance Policy

Ambac Assurance Corporation ("Ambac Assurance") has made a commitment to issue a financial guaranty insurance policy (the "Financial Guaranty Insurance Policy") relating to the Bonds effective as of the date of issuance of the Bonds. Under the terms of the Financial Guaranty Insurance Policy, Ambac Assurance will pay to The Bank of New York, in New York, New York or any successor thereto (the "Insurance Trustee") that portion of the principal of and interest on the Bonds which shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Obligor (as such terms are defined in the Financial Guaranty Insurance Policy). Ambac Assurance will make such payments to the Insurance Trustee on the later of the date on which such principal and interest becomes Due for Payment or within one business day following the date on which Ambac Assurance shall have received notice of Nonpayment from the Trustee/Paying Agent/Bond Registrar. The insurance will extend for the term of the Bonds and, once issued, cannot be canceled by Ambac Assurance.

The Financial Guaranty Insurance Policy will insure payment only on stated maturity dates and on mandatory sinking fund installment dates, in the case of principal, and on stated dates for payment, in the case of interest. If the Bonds become subject to mandatory redemption and insufficient funds are available for redemption of all outstanding Bonds, Ambac Assurance will remain obligated to pay principal of and interest on outstanding Bonds on the originally scheduled interest and principal payment dates including mandatory sinking fund redemption dates. In the event of any acceleration of the principal of the Bonds, the insured payments will be made at such times and in such amounts as would have been made had there not been an acceleration.

In the event the Trustee has notice that any payment of principal of or interest on a Bond which has become Due for Payment and which is made to a Bondholder by or on behalf of the Obligor has been deemed a preferential transfer and theretofore recovered from its registered owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court of competent jurisdiction, such registered owner will be entitled to payment from Ambac Assurance to the extent of such recovery if sufficient funds are not otherwise available.

The Financial Guaranty Insurance Policy does **not** insure any risk other than Nonpayment, as defined in the Policy. Specifically, the Financial Guaranty Insurance Policy does **not** cover:

1. payment on acceleration, as a result of a call for redemption (other than mandatory sinking fund redemption) or as a result of any other advancement of maturity.

2. payment of any redemption, prepayment or acceleration premium.

3. nonpayment of principal or interest caused by the insolvency or negligence of any Trustee, Paying Agent or Bond Registrar, if any.

If it becomes necessary to call upon the Financial Guaranty Insurance Policy, payment of principal requires surrender of Bonds to the Insurance Trustee together with an appropriate instrument of assignment so as to permit ownership of such Bonds to be registered in the name of Ambac Assurance to the extent of the payment under the Financial Guaranty Insurance Policy. Payment of interest pursuant to the Financial Guaranty Insurance Policy requires proof of Bondholder entitlement to interest payments and an appropriate assignment of the Bondholder's right to payment to Ambac Assurance.

Upon payment of the insurance benefits, Ambac Assurance will become the owner of the Bond, appurtenant coupon, if any, or right to payment of principal or interest on such Bond and will be fully subrogated to the surrendering Bondholder's rights to payment.

The Financial Guaranty Insurance Policy does not insure against loss relating to payments made in connection with the sale of Bonds at Auctions or losses suffered as a result of a Bondholder's inability to sell Bonds.

The Financial Guaranty Insurance Policy does not insure against loss relating to payments of the purchase price of Bonds upon tender by a registered owner thereof or any preferential transfer relating to payments of the purchase price of Bonds upon tender by a registered owner thereof.

The insurance provided by the Financial Guaranty Insurance Policy is not covered by the Florida Insurance Guaranty Association.

Ambac Assurance Corporation

Ambac Assurance Corporation ("Ambac Assurance") is a Wisconsin-domiciled stock insurance corporation regulated by the Office of the Commissioner of Insurance of the State of Wisconsin and licensed to do business in 50 states, the District of Columbia, the Territory of Guam, the Commonwealth of Puerto Rico and the U.S. Virgin Islands, with admitted assets of approximately $8,645,000,000 (unaudited) and statutory capital of approximately $5,403,000,000 (unaudited) as of September 30, 2005. Statutory capital consists of Ambac Assurance's policyholders' surplus and statutory contingency reserve. Standard & Poor's Credit Markets Services, a Division of The McGraw-Hill Companies, Moody's Investors Service and Fitch Ratings have each assigned a triple-A financial strength rating to Ambac Assurance.

Ambac Assurance has obtained a ruling from the Internal Revenue Service to the effect that the insuring of a Bond by Ambac Assurance will not affect the treatment for federal income tax purposes of interest on such Bond and that insurance proceeds representing maturing interest paid by Ambac Assurance under policy provisions substantially identical to those contained in its financial guaranty insurance policy shall be treated for federal income tax purposes in the same manner as if such payments were made by the Obligor of the Bonds.

Ambac Assurance makes no representation regarding the Bonds or the advisability of investing in the Bonds and makes no representation regarding, nor has it participated in the preparation of, the Official Statement other than the information supplied by Ambac Assurance and presented under the heading "BOND INSURANCE."

Available Information

The parent company of Ambac Assurance, Ambac Financial Group, Inc. (the "Insurer Parent"), is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (the "SEC"). These reports, proxy statements and other information can be read and copied at the SEC's public reference room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC maintains an internet site at http://www.sec.gov that contains reports, proxy and information statements and other information regarding companies that file electronically with the SEC, including the Insurer Parent. These reports, proxy statements and other information can also be read at the offices of the New York Stock Exchange, Inc. (the "NYSE"), 20 Broad Street, New York, New York 10005.

Copies of Ambac Assurance's financial statements prepared in accordance with statutory accounting standards are available from Ambac Assurance. The address of Ambac Assurance's administrative offices and its telephone number are One State Street Plaza, 19th Floor, New York, New York 10004 and (212) 668-0340.

Incorporation of Certain Documents by Reference

The following documents filed by the Insurer Parent with the SEC (File No. 1-10777) are incorporated by reference in this Official Statement:

1. The Insurer Parent's Annual Report on Form 10-K for the fiscal year ended December 31, 2004 and filed on March 15, 2005;

2. The Insurer Parent's Current Report on Form 8-K dated April 5, 2005 and filed on April 11, 2005;

3. The Insurer Parent's Current Report on Form 8-K dated and filed on April 20, 2005;

4. The Insurer Parent's Current Report on Form 8-K dated May 3, 2005 and filed on May 5, 2005;

5. The Insurer Parent's Quarterly Report on Form 10-Q for the fiscal quarterly period ended March 31, 2005 and filed on May 10, 2005;

6. The Insurer Parent's Current Report on Form 8-K dated and filed on July 20, 2005;

7. The Insurer Parent's Current Report on Form 8-K dated July 28, 2005 and filed on August 2, 2005;

8. The Insurer Parent's Quarterly Report on Form 10-Q for the fiscal quarterly period ended June 30, 2005 and filed on August 9, 2005;

9. The information furnished and deemed to be filed under Item 2.02 contained in the Insurer Parent's Current Report on Form 8-K dated and filed on October 19, 2005; and

10. The Insurer Parent's Quarterly Report on Form 10-Q for the fiscal quarterly period ended September 30, 2005 and filed on November 9, 2005; and

11. The Insurer Parent's Current Report on Form 8-K dated November 29, 2005 and filed on December 5, 2005.

All documents subsequently filed by the Insurer Parent pursuant to the requirements of the Exchange Act after the date of this Official Statement will be available for inspection in the same manner as described above in "Available Information."

RIGHTS OF THE BOND INSURER

Notwithstanding anything in the Agreement to the contrary, for so long as the Policy shall be in full force and effect and provided that the Bond Insurer shall not have defaulted and is not continuing to default on its obligations under the Policy, (1) the Bond Insurer shall be deemed to be the sole owner of all Bonds for all purposes of the provisions in the Agreement relating to default by the Company and actions for protection of the Bondholders and (2) the Bond Insurer shall be deemed to be the sole owner of all Bonds at all times for the purpose of giving consent and direction when consent of the Bondholders is required by the Agreement, other than for the purpose of making amendments which pursuant to the Agreement require the unanimous written consent of the affected Bondholders. If the Bond Insurer pays the principal or interest on any Bonds pursuant to the terms of the Policy, the Bond Insurer will be subrogated to all the rights of the owners of such Bonds granted under the Agreement, including the right to receive payment of principal and interest on, the Bonds. The Bond Insurer shall have no rights under the Agreement, other than the rights of subrogation to the extent that it has made payments under the Policy, in the event the Bond Insurer is in default of its payment obligations under the Policy.

THE PROJECT

The Bonds are being issued to currently refund the Refunded Bonds. The Refunded Bonds were issued to refinance certain of the Company's air and water pollution and waste control facilities (collectively, the "Project") located the Company's Hookers Point Station and at unit nos. 1, 2, 3 and 4 of the Company's Big Bend Station and unit nos. 1, 2, 3, 4, 5 and 6 of the Company's F.J. Gannon Station (now known as the H.L. Culbreath Bayside Station), each of which is located in Hillsborough County, Florida (collectively, the "Units").

PLAN OF REFINANCING

The proceeds from the sale of the Bonds will be used, together with funds made available by the Company, to pay the principal of, premium and interest on the Refunded Bonds within 90 days of the issuance of the Bonds. No part of the costs of issuance of the Bonds is to be paid from proceeds of the Bonds.

SECURITY FOR THE BONDS

The Bonds will be limited obligations of the Authority payable solely from the funds payable by the Company under the Agreement. In the Agreement, the Company has agreed to make payments on the dates, in the amounts and in the manner necessary to pay the principal of and premium, if any, and interest on the Bonds when and as the same shall become due. The Authority has pledged and assigned to the Trustee, as security for the payment of the principal of and premium, if any, and interest on the Bonds, its rights under the Agreement, including its rights to the funds payable by the Company under the Agreement, except its rights to payment of certain costs and expenses and to indemnification.

Payments to the Bondholders in respect of principal of and interest on the Bonds will be further secured by a financial guaranty insurance policy issued by the Bond Insurer. The Policy guarantees the scheduled payment of principal of and interest on the Bonds which shall be otherwise unpaid by reason of non-payment by the Company of its obligation under the Agreement. The Policy does not insure payments due with respect to the Bonds by reason of redemption or acceleration. The insurance policy is non-cancelable by the Bond Insurer. See "BOND INSURANCE" herein and Appendix F—"SPECIMEN FINANCIAL GUARANTY INSURANCE POLICY" for more information and a discussion of the limitations of such insurance.

Although the Company has not elected to do so, it may in the future elect to provide additional credit enhancement for the Bonds which may include a series of First Mortgage Bonds (the "First Mortgage Bonds") under its Indenture of Mortgage, dated as of August 1, 1946 (the "First Mortgage"), in such amounts and maturities and bearing such rates of interest as shall coincide with the principal and interest becoming due on the Bonds, all as further described in Appendix B – "SUMMARY OF THE LOAN AND TRUST AGREEMENT - Pledge of First Mortgage Bonds."

The Bonds, together with interest and premium, if any, thereon, will not be deemed to constitute a debt, liability or obligation of any authority or county of the State of Florida or any political subdivision thereof, including, without limitation, the Authority and Hillsborough County. Neither any authority or county nor the State of Florida or any political subdivision thereof, including, without limitation, the Authority and Hillsborough County, Florida, is obligated to pay the principal of the Bonds or the interest or premium, if any, thereon, except from the funds payable by the Company under the Agreement, and neither the general faith and credit nor the taxing power of any authority or county of the State of Florida or any political subdivision thereof, including, without limitation, the Authority or Hillsborough County, is pledged for the payment of the principal of, premium, if any, or interest on the Bonds.

THE BONDS

This Official Statement does not provide any information regarding the Bonds after the date, if any, on which the Bonds convert to bear interest, as permitted by the Agreement, at an interest rate other than an Auction Mode Rate. Bonds are subject to mandatory tender in the event of any such conversion. See "Tender—Mandatory Tender."

General

The Bonds will be dated as of the date of the initial authentication and delivery thereof and will mature on December 1, 2034. The Bonds initially will bear interest at an Auction Mode Rate commencing on the date of the issuance of the Bonds, subject to conversion to other interest rate periods as described herein.

Interest on the Bonds will be payable on each Interest Payment Date at the rate per annum determined as hereinafter described. Such interest rate may not exceed the lesser of 14% per annum and the maximum rate permitted by the laws of the State of Florida (the "Maximum Interest Rate"). The Bonds will bear interest from the Issue Date for the Initial Period at a rate established prior to that date by the Underwriters as the minimum rate required to sell the Bonds for delivery on the Issue Date at a price of par. The Initial Period for the Bonds shall be from the Issue Date to but not including January 25, 2006. Following the Initial Period, the Bonds will bear interest for seven-day Auction Periods (unless changed at the option of the Company pursuant to the terms of the Agreement as described in "—Conversion from One Auction Period to Another"). The Bonds may also be converted to a Daily Rate, Weekly Rate, Commercial Paper Rate or Long-Term Interest Rate Mode.

Upon a conversion from an Auction Mode Rate to a Daily Rate, a Weekly Rate, a Commercial Paper Rate or a Long-Term Interest Rate, the Bonds will be subject to mandatory tender on any such Conversion Date at a price equal to 100% of the principal amount thereof, plus accrued interest; provided, however, that such mandatory tender price is payable solely from the proceeds of the remarketing of such Bonds, and if all such Bonds are not remarketed, such mandatory tender will be cancelled with the effect described under "—Conversion from Auction Mode Rate Determination Method." The Policy is not available to pay such mandatory tender price. The first Auction Date shall be the last Business Day of the Initial Period. Interest will be payable on each Interest Payment Date. Interest on the Bonds in an Auction Period of 180 days or less will be payable on the applicable Interest Payment Date as herein described computed on the basis of actual days over 360, and in an Auction Period greater than 180 days, shall be payable on the applicable Interest Payment Date as herein described and computed on the basis of a 360-day year of twelve 30-day months.

THIS OFFICIAL STATEMENT DESCRIBES THE TERMS AND CONDITIONS OF THE BONDS ONLY WHILE THEY BEAR INTEREST AT AN AUCTION MODE RATE.

Beneficial interests in the Bonds will initially be issued pursuant to a Book-Entry Only System ("Book-Entry Only System") maintained by DTC, as described below under the caption "—Book-Entry Only System." Under the Agreement, the Trustee and the Authority, at the direction of the Company and with the consent of the Remarketing Agent, may appoint a successor securities depository to DTC. (DTC, together with any such successor securities depository, is hereinafter referred to as the "Securities Depository"). The following information is subject in its entirety to the provisions described below under the caption "—Book-Entry Only System" while the Bonds are in the Book-Entry Only System.

Form and Denomination of Bonds; Payments on the Bonds

General

The Bonds will be issued only as fully registered bonds, without coupons, in denominations of $25,000 or any integral multiple thereof (an "Authorized Denomination"). The Bonds will be registered in the name of Cede & Co., as registered owner and nominee of DTC. DTC acts as securities depository for the Bonds and individual purchases of Bonds may be made in book-entry form only. So long as the Bonds are in book-entry only form, purchasers of Bonds will not receive certificates representing their interest in the Bonds purchased. So long as Cede & Co. is the registered owner of such Bonds, as nominee of DTC, references herein to the bondholders or registered owners or holder shall mean Cede & Co., and shall not mean the Beneficial Owners (as defined below) of the Bonds.

So long as Cede & Co. is the registered owner of the Bonds, principal of and interest on the Bonds are payable to Cede & Co., as nominee for DTC, which will, in turn, remit such amounts to the DTC Participants (as defined below) for subsequent disbursement to the Beneficial Owners. See "—Book-Entry Only System."

The Bank of New York Trust Company, N.A. has been appointed as Trustee under the Agreement. The designated office of the Trustee is located at 10161 Centurion Parkway, Jacksonville, Florida 32256.

Neither the Authority nor the Trustee shall be required to make any transfer or exchange of any Bond during the ten Business Days prior to the mailing of a notice of Bonds selected for redemption or, with respect to a

Bond, after such Bond or any portion thereof has been selected for redemption. Registration of transfers and exchanges shall be made without charge to the bondholders, except that any required taxes or other governmental charges shall be paid by the bondholder requesting registration of transfer or exchange.

Interest

During any Auction Period, interest shall be payable to the registered holder of the Bonds as of the Record Date (as defined below) by check mailed by first-class mail on the Interest Payment Date to such holder's registered address. A holder of $1,000,000 or more in principal amount of Bonds may be paid interest by wire transfer in immediately available funds to an account in the continental United States if the holder makes a written request of the Trustee (in form satisfactory to the Trustee) at least two Business Days before the Record Date specifying the account address. The notice may provide that it will remain in effect for later interest payments until changed or revoked by another written notice. When the Bonds are held in book-entry only form, such payments will be made to DTC as record owner. See "—Book-Entry Only System."

The Interest Payment Date, except as otherwise provided in Appendix E, with respect to the Bonds in an Auction Period is the Business Day immediately following each Auction Period, and, in addition, for an Auction Period of 92 days or more, each 13th Wednesday after the first day of such Auction Period or the next Business Day if such Wednesday is not a Business Day. The Record Date for the Bonds bearing interest at an Auction Mode Rate is the second Business Day immediately preceding an Interest Payment Date.

Auction Agent

The Trustee and the Company will enter into the Auction Agreement initially with The Bank of New York pursuant to which The Bank of New York as agent for the Company, shall perform the duties of Auction Agent. The Auction Agreement will provide, among other things, that the Auction Agent will determine the Auction Mode Rate for each Auction in accordance with the Auction Procedures set forth in Appendix E hereto. The Company and its affiliates maintain banking relationships with The Bank of New York and its affiliates serve as trustee under various indentures with, or for the benefit of, the Company and its affiliates.

Auction Date

Auctions for the Bonds will take place on January 24, 2006 and every Tuesday thereafter while the Bonds are in a seven-day Auction Period. The length of the Auction Period may be changed in accordance with the Agreement. An Auction to determine the interest rate with respect to the Bonds for each next succeeding Auction Period will be held (i) on each Business Day while such Bonds are in a one-day Auction Period and (ii) if the Bonds are in an Auction Period of any other length, on the Business Day next preceding each Interest Payment Date for such Bonds; provided, that if the Bonds are in an Auction Period of 92 days or more, the Auction shall be held on the last Business Day in such Auction Period.

Orders by Existing Owners and Potential Owners

The procedure for submitting orders prior to the Submission Deadline on each Auction Date is described in the Auction Procedures set forth in Appendix E, as are the particulars with regard to the determination of the Auction Mode Rate and the allocation of the Bonds bearing interest at an Auction Mode Rate (collectively, the "Auction Procedures").

Amendment of Auction Procedures

During any Auction Period, the provisions of the Agreement concerning the Auction Procedures, including, without limitation, the relevant definitions, may be amended by obtaining the consent of the owners of all the Bonds bearing interest at an Auction Mode Rate and the Bond Insurer. All owners of Bonds affected by an amendment will be deemed to have consented thereto if, on the first Auction Date occurring at least 20 days after the Trustee mailed notice to such owners, (i) the Auction Mode Rate determined for such date is the Winning Bid Rate and (ii) there is delivered to the Company and the Trustee a Favorable Opinion of Tax Counsel with respect to such

amendment. A "Favorable Opinion of Tax Counsel" is an opinion by counsel of nationally recognized standing in matters relating to the exclusion of interest from gross income on obligations issued by or on behalf of states and their political subdivisions to the effect that the action proposed to be taken is permitted under the Act and by the Agreement and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Bonds. These amendments could adversely affect a holder and may become effective without the actual consent of a holder.

Conversion from Auction Mode Rate Determination Method

At the option of the Company, the Bonds may be converted to bear interest at a Daily Rate, a Weekly Rate, a Commercial Paper Rate or a Long-Term Interest Rate. On the Conversion Date applicable to the Bonds, the Bonds shall be subject to mandatory tender at a purchase price equal to 100% of the principal amount thereof, plus accrued interest. The purchase price of the Bonds so tendered is payable solely from the proceeds of the remarketing of such Bonds. In the event that the conditions of a conversion are not satisfied, including the failure to remarket all such Bonds, the Bonds will not be subject to mandatory tender and will be returned to their owners. If the preceding Auction Period was a period of one year or less, the new Auction Period shall be seven days (or if the seventh day is not followed by a Business Day, then the new Auction Period shall be extended to the next succeeding day which is followed by a Business Day), and the Auction Mode Rate for the new Auction Period shall be the same as the Auction Mode Rate for the preceding Auction Period. If the preceding Auction Period was a period of greater than one year, the preceding Auction Period shall be extended to the seventh day following the day that would have been the last day of such Auction Period had it not been extended (or if such seventh day is not followed by a Business Day then to the next succeeding day which is followed by a Business Day) and the Auction Mode Rate in effect for the preceding Auction Period will continue in effect for the Auction Period as so extended. In the event an Auction Period is extended as set forth above, an Auction shall be held on the last Business Day of the Auction Period as so extended to take effect for an Auction Period beginning on the Business Day immediately following the last day of the Auction Period as extended, which Auction Period will end on the date it would otherwise have ended on had the prior Auction Period not been extended. Notwithstanding the foregoing, no Auction Mode Rate shall be extended for more than 35 days. If, at the end of 35 days, the Auction Agent fails to calculate or provide the Auction Mode Rate, the Auction Mode Rate shall be the Maximum Interest Rate. It is currently anticipated that, should any of the Bonds be converted to bear interest at a Daily Rate, a Weekly Rate, a Commercial Paper Rate or a Long-Term Interest Rate, a new reoffering memorandum or reoffering circular will be distributed describing the Bonds while they bear interest at any such interest rate.

Conversion from One Auction Period to Another

During any Auction Period, the Company may, from time to time, on an Interest Payment Date, change the length of the Auction Period with respect to all of the Bonds. In the event of a failed conversion to another Auction Period due to the lack of Sufficient Clearing Bids (as defined in Appendix E) in accordance with the Agreement or the Company's failure to deliver or confirm a Favorable Opinion of Tax Counsel, if required, the Auction Period and interest rate for the Bonds will be determined as follows: If the preceding Auction Period was a period of one year or less, the Auction Period shall be seven days (or if the seventh day is not followed by a Business Day, then to the next succeeding day which is followed by a Business Day), and the Auction Mode Rate for the new Auction Period shall be the same as the Auction Mode Rate for the preceding Auction Period. If the preceding Auction Period was a period of greater than one year, the preceding Auction Period shall be extended to the seventh day following the day that would have been the last day of such Auction Period had it not been extended (or if such seventh day is not followed by a Business Day then to the next succeeding day which is followed by a Business Day) and the Auction Mode Rate in effect for the preceding Auction Period will continue in effect for the Auction Period as so extended. In the event an Auction Period is extended as set forth above, an Auction shall be held on the last Business Day of the Auction Period as so extended to take effect for an Auction Period beginning on the Business Day immediately following the last day of the Auction Period as extended which Auction Period will end on the date it would otherwise have ended on had the prior Auction Period not been extended. Notwithstanding the foregoing, no Auction Mode Rate shall be extended for more than 35 days. If, at the end of 35 days, the Auction Agent fails to calculate or provide the Auction Mode Rate, the Auction Mode Rate shall be the Maximum Interest Rate.

Special Considerations Relating to the Bonds Bearing Interest at an Auction Mode Rate

The Auction Agreement provides that the Auction Agent may resign from its duties as Auction Agent by giving at least 90 days' notice, or 45 days' notice if it has not been paid, to the Authority, the Company and the Trustee and does not require, as a condition to the effectiveness of such resignation, that a replacement Auction Agent be in place if its fee has not been paid. The Broker-Dealer Agreement provides that the Broker-Dealer thereunder may resign upon five Business Days' notice or immediately, in certain circumstances, and does not require, as a condition to the effectiveness of such resignation, that a replacement Broker-Dealer be in place. For any Auction Period during which there is no duly appointed Auction Agent, or during which there is no duly appointed Broker-Dealer, it will not be possible to hold Auctions, with the result that the interest rate on the Bonds will be determined as follows: (i) if the preceding Auction Period was a period of 35 days or less, the new Auction Period will be the same as the preceding Auction Period and the Auction Mode Rate for the new Auction Period will be the same as the Auction Mode Rate for the preceding Auction Period, and (ii) if the preceding Auction Period was a period of greater than 35 days, the new Auction Period will be a seven-day Auction Period and the Auction Mode Rate for the new Auction Period will be the same as the Auction Mode Rate for the preceding Auction Period. Notwithstanding the foregoing, no Auction Mode Rate shall be extended for more than 35 days. If, at the end of 35 days, the Auction Agent fails to calculate or provide the Auction Mode Rate, the Auction Mode Rate shall be the Maximum Interest Rate.

Initially, J.P. Morgan Securities Inc., Merrill Lynch & Co. and Morgan Keegan & Company, Inc. are the only Broker-Dealers. The Company may retain other Broker-Dealers from time to time or terminate any Broker-Dealer upon not less than five Business Days' notice. Each Broker-Dealer Agreement provides that a Broker-Dealer may submit Orders in Auctions for its own account. Each initial Broker-Dealer routinely submits orders in auctions generally for which it serves as a broker-dealer. In the Broker-Dealer Agreements, each Broker-Dealer agrees to handle customer orders in accordance with its duties under applicable securities laws and rules. If a Broker-Dealer submits an Order for its own account in any Auction, it is likely to have an advantage over other Bidders in that it would have knowledge of other Orders placed through it in that Auction. The Broker-Dealer, however, would not have knowledge of other Orders submitted by other Broker-Dealers (if any) in that Auction. As a result of bidding by the Broker-Dealer in an Auction, the Auction Mode Rate may be higher or lower than the rate that would have prevailed had the Broker-Dealer not bid. The Broker-Dealer may also bid in an Auction in order to prevent what would otherwise be (a) a failed Auction, (b) an "all-hold" Auction (if it holds Bonds for its own account), or (c) the implementation of an Auction Mode Rate that the Broker-Dealer believes, in its sole judgment, does not reflect the market for such securities at the time of the Auction. Each Broker-Dealer may, but is not obligated to, advise Beneficial Owners of the Bonds that the rate that will apply in an "all hold" Auction is often a lower rate than would apply if Beneficial Owners submit bids, and such advice, if given, may facilitate the submission of bids by existing Beneficial Owners that would avoid the occurrence of an "all hold" Auction. Each Broker-Dealer may, but is not obligated to, encourage additional or revised investor bidding in order to prevent an "all-hold" Auction.

Each Broker-Dealer has advised the Authority and the Company that such Broker-Dealer and various other broker-dealers and other firms that participate in the auction rate securities market received letters from the staff of the Securities and Exchange Commission (the "SEC") in the spring of 2004. The letters requested that each of these firms voluntarily conduct an investigation regarding its respective practices and procedures in that market. Pursuant to these requests, each Broker-Dealer conducted its own voluntary review and reported its findings to the SEC staff. Each Broker-Dealer is engaged in discussions with the SEC staff concerning this inquiry. None of the Broker-Dealers, the Authority or the Company can predict the ultimate outcome of the inquiry or how that outcome will affect the market for or interest rate on the Bonds or the Auctions.

During an Auction Period, a Beneficial Owner of a Bond may sell, transfer or dispose of a Bond only pursuant to a Bid or Sell Order in accordance with the Auction Procedures (see Appendix E—Auction Procedures) or through a Broker-Dealer. The ability to sell a Bond in an Auction may be adversely affected if there are not sufficient buyers willing to purchase all the Bonds at a rate equal to or less than the Maximum Interest Rate. Each Broker-Dealer has advised the Company that it intends initially to make a market in the Bonds between Auctions; however, none of the Broker-Dealers is obligated to make or maintain such markets, and no assurance can be given that secondary markets therefor will develop or be maintained. Each Broker-Dealer may, in its own discretion, decide to sell the Bonds in the secondary market to investors at any time and at any price, including at prices equivalent to, below, or above the par value of the Bonds.

A Beneficial Owner may not be able to sell some or all of its Bonds at an Auction if the Auction fails. An Auction will fail if there are more Bonds offered for sale than there are Potential Owners for those Bonds. Also, if a Beneficial Owner places an order to retain Bonds at an Auction only at a specified rate, and that specified rate exceeds the rate set at the Auction, the Beneficial Owner will not retain its Bonds. Finally, if a Beneficial Owner submits a hold order (an order at an Auction to retain Bonds without regard to the rate set at the Auction) and the Auction sets a below-market rate, such Beneficial Owner may receive a below-market rate of return on its Bonds.

As noted above, if there are more Bonds offered for sale than there are buyers for those Bonds in any Auction, the Auction will fail and a Beneficial Owner may not be able to sell some or all of its Bonds at that time. The relative buying and selling interest of market participants in the Bonds and in the auction rate securities market as a whole will vary over time, and such variations may be affected by, among other things, news relating to the issuer or obligor with respect to the auction rate securities, the attractiveness of alternative investments, the perceived risk of owning the security (whether related to credit, liquidity or any other risk), the tax treatment accorded the auction rate securities, the accounting treatment accorded auction rate securities, including recent clarifications of U.S. generally accepted accounting principles relating to the treatment of auction rate securities, reactions to regulatory actions or press reports, financial reporting cycles and market sentiment generally. Investor demand for auction rate securities may shift in response to any one or more of those circumstances or the occurrence of other similar events. Any such shift in investor demand may be short-lived or could continue for an extended period of time.

Changes to the Auction Periods and Auction Dates do not require the amendment of the Auction Procedures and thus may be made without the consent of any Beneficial Owner of Bonds.

See the Auction Procedures, attached to this Official Statement as Appendix E, for a more extensive discussion of the provisions applicable to the Bonds while bearing interest at the Auction Mode Rate.

Determination Methods

Pursuant to the Agreement, the Bonds may bear interest at a Daily Rate, a Weekly Rate, a Commercial Paper Rate, a Long-Term Interest Rate or Auction Mode Rate. The Bonds shall initially bear interest at an Auction Mode Rate, or, upon conversion as described above under "—Conversion from Auction Mode Rate Determination Method," at another interest rate as provided by the Agreement.

THIS OFFICIAL STATEMENT DOES NOT PROVIDE ANY INFORMATION REGARDING THE BONDS AFTER THE DATE, IF ANY, ON WHICH THE BONDS CONVERT TO BEAR INTEREST AT AN INTEREST RATE OTHER THAN AN AUCTION MODE RATE.

Tender

Optional Tender

While the Bonds bear interest at an Auction Mode Rate, the Bonds are not subject to optional tender.

Mandatory Tender

The Bonds are subject to mandatory tender upon 15 days' written notice to each bondholder at a purchase price equal to 100% of the principal amount of the Bonds, plus accrued interest, on the effective date of any change from the Auction Mode Rate. The purchase price of the Bonds is payable solely from the remarketing proceeds, if any, of such Bonds. The Policy is not available to pay such mandatory tender price. See "—Conversion from Auction Mode Rate Determination Method."

Redemption of Bonds

The Bonds are subject to redemption as described below:

Extraordinary Optional Redemption. The Bonds are subject to extraordinary redemption at any time as a whole at the option of the Company on any date selected by the Company, but not less than 45 nor more than 180 days after the Company shall have given notice of its exercise of the right to prepay the Bonds, at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date if:

(i) in the opinion of the Company, the continued operation by the Company of all or substantially all of the Units comprising the Project is impracticable, uneconomical or undesirable due to (A) the imposition of taxes or other liabilities or burdens not being imposed as of the date of the Bonds, (B) changes in technology or in the economic availability of raw materials or operating supplies or equipment or (C) destruction of or damage to all or a substantial portion of the Units; provided, however, that the Company may not exercise its right to redeem the Bonds for reasons described in this clause (i) if any portion of the redemption price is to be paid from the proceeds of tax-exempt bonds;

(ii) all or substantially all of the Units have been condemned or taken by eminent domain;

(iii) the operation by the Company of all or substantially all of the Units shall have been enjoined and the Company shall have been prevented from carrying on normal operations at the Units for a period of six months or more; or

(iv) in the event the First Mortgage Bonds have been issued, all or substantially all the mortgaged and pledged property constituting bondable property which at the time shall be subject to the lien of the First Mortgage as a first lien shall be released from the lien of the First Mortgage pursuant to the provisions thereof, and available moneys in the hands of the trustee or trustees at the time serving as such under the First Mortgage, including any moneys deposited by the Company available for the purpose, are sufficient to redeem all the first mortgage bonds of all series issued pursuant to the First Mortgage at the redemption prices (together with accrued interest to the date of redemption) specified therein applicable to the redemption thereof upon the happening of such event.

Special Mandatory Redemption Upon Taxability. The Bonds are subject to special mandatory redemption prior to maturity at any time, as a whole or in part (and if in part, by lot or other customary means) if such partial redemption will preserve the exclusion of interest on the remaining Bonds outstanding from gross income for federal income tax purposes at a redemption price equal to the principal amount thereof, plus interest accrued to the redemption date, without premium, in the event that the interest payable on any Bond has become subject to federal income tax in accordance with the Agreement. Any such redemption shall be made not later than 180 days from the date of such determination.

Optional Redemption. During any Auction Period, the Bonds may be redeemed in whole or in part (and if in part, in an Authorized Denomination) at the option of the Company (upon written direction of the Company delivered to the Authority, the Trustee and the Bond Insurer) on the Business Day immediately succeeding any Auction Date at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date.

Purchase in Lieu of Redemption. When Bonds are called for redemption as described above under "— Optional Redemption," the Company may purchase some or all of the Bonds called for redemption if it (or the Remarketing Agent) gives written notice to the Trustee, the Remarketing Agent, the Auction Agent, each Broker-Dealer and the Bond Insurer not later than the day before the redemption date that it wishes to purchase the principal amount of Bonds specified in the notice, at a purchase price equal to the redemption price. On the date specified as the redemption date, the Trustee will be furnished sufficient remarketing proceeds (or other funds provided by the Company as permitted under the Agreement) in sufficient time for the Trustee to make the purchase on the redemption date. Any such purchase of Bonds by the Company will not be deemed to be a payment or redemption

of the Bonds or any portion thereof and will not operate to extinguish or discharge the indebtedness evidenced by the Bonds so purchased.

Notice of Redemption. Whenever Bonds are to be redeemed, the Trustee shall give notice of redemption by mailing a copy of the redemption notice to the registered owner of each Bond to be redeemed, at least 30 days prior to the redemption date, as provided in the Agreement. Unless moneys sufficient to pay the redemption price have been received by the Trustee prior to the giving of notice of redemption, the notice may state that such redemption is conditional upon receipt of such moneys.

Selection of Bonds for Redemption. If less than all of the Bonds are to be redeemed, the portion of the Bonds to be redeemed will be selected by the Trustee by lot or in any customary manner of selection as determined by the Trustee; provided, however, that so long as DTC or its nominee is the Bondholder with respect to such Bonds, the particular portions of the Bonds to be redeemed shall be selected by DTC in such manner as DTC may determine.

During the period that DTC or the DTC nominee is the registered holder of the Bonds, the Trustee will not be responsible for mailing notices of redemption, or other notices described herein, to the Beneficial Owners of the Bonds. See "—Book-Entry Only System."

Book-Entry Only System

DTC, New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for the Bonds, in the aggregate principal amount of the issue, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended ("1934 Act"). DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC' s participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation (NSCC, FICC and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the SEC. More information about DTC can be found at www.dtc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's current practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds, unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the applicable record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on such record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detailed information from the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participants and not of DTC or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal, premium, if any, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, certificated bonds will be required to be printed and delivered.

In the event that the book-entry system is discontinued, the principal or redemption price of and interest on the Bonds will be payable in the manner described above, and the Bonds may be transferred or exchanged for one or more Bonds in different Authorized Denominations upon surrender thereof at the principal corporate trust office of the Trustee by the registered owners or their duly authorized attorneys or legal representatives. Upon surrender of any Bonds to be transferred or exchanged, the Trustee shall record the transfer or exchange in the registration books and shall authenticate and deliver the new Bonds appropriately registered and in appropriate Authorized Denominations.

Under the Agreement, payments made by the Trustee to DTC or its nominee will satisfy the Authority's and the Company's obligations under the Agreement to the extent of the payments so made. Beneficial Owners will not be, and will not be considered by the Authority or the Trustee to be, and will not have any rights as, owners of Bonds under the Agreement.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Underwriters, the Company and the Trustee believe to be reliable, but the Underwriters, the Company and the Trustee take no responsibility for the accuracy thereof.

None of the Authority, the Underwriters, the Company, the Insurer, the Trustee or any agent for payment on or registration of transfer or exchange of any Bond will have any responsibility or obligation to Direct Participants, Indirect Participants or the persons for whom they act as nominees with respect to the accuracy of the records of DTC, its nominee or any Direct Participant with respect to any ownership interest in the Bonds, or payments to, or the providing of notice for, Direct Participants, Indirect Participants, or Beneficial Owners or other action taken by DTC, or its nominee, Cede & Co., as the sole owners of the Bonds.

THE TRUSTEE

The Bank of New York, an affiliate of The Bank of New York Trust Company, N.A., the Trustee, is a depository for part of the Company's funds and participates as a lender in the Company's revolving credit facility.

TAX EXEMPTION

In the opinion of Edwards Angell Palmer & Dodge LLP, Bond Counsel ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1954, as amended (the "Code"), and Title XIII of the Tax Reform Act of 1986, except that no opinion is expressed as to the status of interest on any Bond for any period that such Bond is held by a "substantial user" of the facilities financed or refinanced by the Bonds or by a "related person" within the meaning of Section 103(b)(13) of the Code. Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix C hereto.

Title XIII of the Tax Reform Act of 1986 and Section 103 of the Code impose various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. Failure to comply with these requirements may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The Authority and the Company have covenanted to comply with such requirements to ensure that interest on the Bonds will not be included in federal gross income. The opinion of Bond Counsel assumes compliance with these covenants. Certain requirements and procedures contained or referred to in the Agreement, and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Further, no assurance can be given that pending or future legislation, including amendments to the Code, or any regulatory or administrative development with respect to existing law, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Bonds. Prospective Bondholders are urged to consult their own tax advisors with respect to proposals to restructure the federal income tax.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect a Bondholder's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Bondholder or the Bondholder's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences, and Bondholders should consult with their own tax advisors with respect to such consequences.

Under existing Florida law, Florida Statutes §159.31, the Bonds, their transfer and the income therefrom (including any profit on the sale thereof) are free from taxation by the State, or any local unit, political subdivision or instrumentality thereof, except for taxes imposed by Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations by corporations.

CONTINUING DISCLOSURE

The Authority has determined that no financial or operating data concerning the Authority is material to any decision to purchase, hold or sell the Bonds, and the Authority will not provide any such information. The Company has undertaken all responsibilities for any continuing disclosure to Bondholders as described below, and the Authority shall have no liability to the Bondholders or any other person with respect to such disclosures.

The Company has covenanted for the benefit of Bondholders to provide certain financial information and operating data relating to the Company for the prior fiscal year by not later than May 31 of each year beginning May 31, 2006 (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events, if deemed by the Company to be material. The Annual Report will be filed on behalf of the Company with each Nationally Recognized Municipal Securities Information Repository and with the appropriate State Repository if such repository is established. The notices of material events will be filed on behalf of the Company with the Municipal Securities Rulemaking Board. The specific nature of the information to be contained in the Annual Report or the notices of material events is summarized in Appendix D - "FORM OF CONTINUING DISCLOSURE AGREEMENT." These covenants have been made in order to assist the Underwriters in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "SEC").

The Company is a reporting company under the Securities Exchange Act of 1934 and it files regular reports with the SEC. In addition, the Company is subject to continuing disclosure requirements under an existing continuing disclosure agreement. The Company has previously complied with the filing requirements under such prior continuing disclosure agreement.

RATINGS

Moody's Investors Service, Inc., Standard & Poor's Ratings Group and Fitch Ratings are expected to assign their municipal bond ratings of "Aaa", "AAA" and "AAA", respectively, to the Bonds with the understanding that upon delivery of the Bonds, a policy insuring the payment when due of the principal of and interest on the Bonds will be issued by the Bond Insurer.

A credit rating is not a recommendation to buy, sell or hold securities. There is no assurance that the ratings will continue for any given period of time or that they might not be revised downward or withdrawn entirely by the rating agencies, if in their judgment circumstances so warrant. Any such downward revision or withdrawal of the ratings might have an adverse effect on the market price of the Bonds.

UNDERWRITING

J.P. Morgan Securities Inc., Merrill Lynch & Co. and Morgan Keegan & Company, Inc., as Underwriters, have agreed, subject to certain terms and conditions, to purchase the Bonds from the Authority at a price equal to 100% of the principal amount thereof. The Company has agreed to pay $322,312.50 (excluding expenses) to the Underwriters as compensation and to reimburse the Underwriters for their reasonable expenses. The Underwriters are committed to purchase all of the Bonds if any are purchased.

The Company has agreed to indemnify the Underwriters and the Authority against certain liabilities, including liabilities under the federal securities laws, in connection with certain portions of this Official Statement, including Appendix A hereto.

The Underwriters may offer and sell Bonds to certain dealers (including dealers depositing any of the Bonds into investment trusts) and others at prices lower than the public offering price stated on the cover page hereof. After the initial public offering, the public offering price may be changed from time to time by the Underwriters.

In the ordinary course of their respective businesses, the Underwriters and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with the Company.

LEGALITY

Legal matters incident to the authorization and issuance of the Bonds are subject to the unqualified approving opinion of Edwards Angell Palmer & Dodge LLP, Boston, Massachusetts, as Bond Counsel. Sheila M. McDevitt, General Counsel for the Company, will pass upon certain legal matters for the Company. Certain legal matters will be passed upon for the Underwriters by Ropes & Gray LLP, Boston, Massachusetts, Counsel for the Underwriters, and for the Authority by Morrison & Mills, P.A., Tampa, Florida, Counsel for the Authority. Edwards Angell Palmer & Dodge LLP acted as counsel for the Company in connection with this offering and acts as counsel from time to time in matters for the Company and certain of its affiliates. Ropes & Gray LLP acts as counsel from time to time in matters for the Company and certain of its affiliates.

This Official Statement has been duly authorized, executed and delivered by the Authority.

HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: ***/s/ Mike Luetgert***
Chairman

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APPENDIX A
TAMPA ELECTRIC COMPANY[1]

Tampa Electric, a division of Tampa Electric Company (the "Company"), provides electric energy and related services to over 625,000 residential, commercial and industrial customers in its West Central Florida service area covering approximately 2,000 square miles, including the City of Tampa and the surrounding areas. Tampa Electric has a total net winter generating capacity of 4,421 megawatts in operation. Peoples Gas System, a division of the Company, is Florida's leading provider of natural gas. With a presence in most of Florida's major metropolitan areas, it serves over 314,000 residential and commercial customers. Annual natural gas throughput (the amount of gas delivered to its customers, including transportation-only service) in 2004 was 1.1 billion therms.

The Company is a subsidiary of TECO Energy, Inc., a Florida corporation, the common stock of which is traded on the New York Stock Exchange.

The principal executive offices of the Company are located at TECO Plaza, 702 North Franklin Street, Tampa, Florida 33602, telephone (813) 228-1111.

AVAILABLE INFORMATION

The Company is subject to the reporting requirements of the Securities Exchange Act of 1934 (the "1934 Act") and files reports and other information with the Securities and Exchange Commission (the "Commission"). Such reports and other information can be inspected and copied at the public reference room maintained by the Commission at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the Commission at 1-800-SEC-0330 for further information on the public reference room. The Company's filings with the Commission are also available to the public on the Commission's website at http://www.sec.gov. Copies of the Company's reports on Forms 10-K, 10-Q and 8-K filed by the Company with the Commission are filed jointly with similar reports filed by TECO Energy, Inc. and thus are also available on TECO Energy, Inc.'s website at www.tecoenergy.com. TECO Energy, Inc.'s website is not part of this Official Statement.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Company hereby incorporates by reference the reports listed below, which the Company has filed with the Commission, and all documents hereafter filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the 1934 Act prior to the termination of the offering made by the Official Statement:

1. Annual Report on Form 10-K for the fiscal year ended December 31, 2004 filed with the Commission on March 15, 2005.

2. Quarterly Reports on Form 10-Q for the quarter ended March 31, 2005 filed with the Commission on May 9, 2005, for the quarter ended June 30, 2005 filed with the Commission on August 9, 2005 and for the quarter ended September 30, 2005 filed with the Commission on November 9, 2005.

3. Current Reports on Form 8-K filed with the Commission on January 12, 2005, April 6, 2005 and October 11, 2005.

The Company hereby undertakes to provide without charge to each person to whom a copy of this Official Statement has been delivered, at the written request of such person, a copy of any or all of the documents referred to above that have been or may be incorporated in this Appendix by reference, other than exhibits to such documents. Written requests for such copies should be directed to Director of Investor Relations, Tampa Electric Company, P.O. Box 111, Tampa, Florida 33601.

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[1] The information contained in Appendix A to this Official Statement has been obtained from Tampa Electric Company and speaks as of January 10, 2006. The Authority and the Underwriters make no representation as to the accuracy and completeness of the information contained in this Appendix.

The data contained in this Appendix is furnished solely to provide limited information regarding the Company and does not purport to be comprehensive. Such data is qualified in its entirety by reference to the detailed information and financial statements appearing in the documents incorporated herein by reference and, therefore, should be read together therewith.

You should rely only on the information contained or incorporated by reference in this Appendix. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information appearing in this Appendix and the documents incorporated by reference in this Appendix is accurate only as of the dates of the Official Statement or those documents incorporated by reference. The Company's business, financial condition, results of operations and prospects may have changed since those dates.

INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTING FIRM

The financial statements of the Company included in its Annual Report on Form 10-K for the year ended December 31, 2004, incorporated herein by reference, have been audited by PricewaterhouseCoopers LLP, an independent registered certified public accounting firm, as set forth in their report dated March 1, 2005, which report is included therein.

APPENDIX B
SUMMARY OF THE LOAN AND TRUST AGREEMENT

The following is a summary of certain provisions of the Agreement relating to the Bonds, not including some of the provisions summarized in the Official Statement describing the Bonds.

Payments by the Company

On the date on which a payment of principal of or interest is due, the Company shall pay to the Trustee for deposit in the Bond Fund an amount equal to such payment less the amount, if any, in the Bond Fund and available therefor.

The payments to be made under the foregoing paragraph shall be appropriately adjusted to reflect the date of issue of Bonds, accrued interest deposited in the Bond Fund, if any, and any purchase or redemption of Bonds so that there will be available on each payment date in the Bond Fund the amount necessary to pay the interest and principal due or coming due on the Bonds and so that accrued interest will be applied to the installments of interest to which it is applicable.

At any time when any principal of the Bonds is overdue, the Company shall also have a continuing obligation to pay to the Trustee for deposit in the Bond Fund an amount equal to interest on the overdue principal but the installment payments required as described above shall not otherwise bear interest. Redemption premiums shall not bear interest.

Payments by the Company to the Trustee for deposit in the Bond Fund under the Agreement shall discharge the obligation of the Company to the extent of such payments; provided, that if any moneys are invested in accordance with the Agreement and a loss results therefrom so that there are insufficient funds to pay principal and interest on the Bonds when due, the Company shall supply the deficiency.

Within thirty (30) days after notice, the Company shall also pay all expenditures (except general administrative expenses or overhead) reasonably incurred by the Authority by reason of the Agreement and the reasonable fees and expenses of the Trustee and any paying agent, tender agent or registrar.

Obligation Absolute

The Company's obligation to make payments of principal, interest and premium, if any, is absolute and unconditional to the extent permitted by law, and the Company (1) will not suspend or discontinue payments, (2) will perform and observe all of its other agreements contained in the Agreement, (3) will not knowingly take or authorize or permit, to the extent such action is within the control of the Company, any action with respect to the Project, the proceeds of the Bonds or any insurance, condemnation or other proceeds derived directly or indirectly in connection with the Project, which will result in the loss of the exclusion of interest on the Bonds from federal gross income, and (4) except as permitted in the Agreement, will not terminate the Agreement for any reason including, without limiting the generality of the foregoing, the occurrence of any act or circumstance that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of Florida or any political subdivision of either of them, any failure of the Authority or the Trustee to perform or observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Agreement, or arising out of any indebtedness or liability at any time owing to the Company by the Authority or the Trustee.

Pledge of First Mortgage Bonds

Although the Company has not yet elected to do so, in order to provide collateral security for the Company's obligations to make payment of installments, the Company may elect to issue and deliver to the Trustee a series of First Mortgage Bonds, registered in the name of the Trustee, which shall have the same stated rate or rates of interest prior to maturity, payable at the same times, and which shall become due in the same principal amount or

amounts, either by redemption, through operation of a sinking fund or by maturity, on the same date or dates, as the Bonds. The First Mortgage Bonds shall be held subject to the terms and provisions of the Agreement and the First Mortgage.

To exercise this election, the Company shall, not less than 14 days prior to the proposed date of delivery of the First Mortgage Bonds, (1) give to the Authority, the Trustee and the nationally recognized securities rating agencies which then rate the Bonds written notice that designates the date on which such First Mortgage Bonds will be delivered, and (2) deliver to the Trustee and the Authority a written opinion of Tax Counsel to the effect that such election and the delivery of such First Mortgage Bonds will not cause the interest on the Bonds to become includable in gross income for federal income tax purposes.

If First Mortgage Bonds have been delivered to the Trustee as required by the terms of the Insurance Agreement, and under the conditions of the Insurance Agreement the Company is entitled to the release of the First Mortgage Bonds, upon delivery to the Trustee of a written consent of the Bond Insurer confirming that the First Mortgage Bonds may be released, the obligation of the Company to make payments with respect to the principal, premium, if any, and interest on the First Mortgage Bonds shall be satisfied and discharged, and the Trustee shall release and surrender the First Mortgage Bonds to the Company.

Indemnification

The Company has agreed to indemnify the Authority, the Trustee, any paying agent, tender agent and registrar and each of their respective members, directors, officers, employers, agents and attorneys (collectively, the "Indemnified Persons") against claims arising out of the construction or operation of the pollution control facilities financed with the proceeds of the Refunded Bonds or the proceeds of the bonds refunded by the Refunded Bonds (the "Project") and to pay or bond and discharge and indemnify and hold harmless each Indemnified Person from and against (1) any lien or charge upon payments by the Company to or for the account of the Authority and (2) any taxes, assessments, impositions and other charges of any federal, state or municipal government or political body in respect of the Project. If any such claim is asserted, or any such lien or charge upon payments, or charges are sought to be imposed, the applicable Indemnified Person shall give prompt notice to the Company, and the Company shall pay the same or bond and assume the defense thereof, with full power to contest, litigate, compromise or settle the same in its reasonable discretion. The Company shall also protect and hold each Indemnified Person harmless against any claim or liability arising from the Agreement, the bond resolution, the issuance of the Bonds and all transactions pertaining thereto, including but not limited to any loss or damage to property or any injury to or death of any person that may be occasioned by any cause pertaining to the Project or to the use thereof, in excess of any insurance proceeds available to the Authority in connection with the Project. Such indemnification shall include reasonable expenses and attorney's fees and expenses incurred by any Indemnified Person in connection therewith. Nothing contained in the Agreement shall require the Company to indemnify an Indemnified Person for any claim or liability resulting from the willfully wrongful acts or gross negligence of any Indemnified Person.

Assignment; Merger

Under certain conditions, the Company may assign its interest in the Agreement and lease or sell the Project, in whole or in part, without the consent of the Authority or the Trustee. No such assignment, lease or sale will operate to relieve the Company from its primary liability for its obligations under the Agreement, including, its obligation to make the payments of principal of, premium, if any, and interest on the Bonds or to make payments with respect to the purchase of Bonds.

The Company may consolidate with or merge into, or sell or otherwise transfer all or substantially all of its assets to, another corporation, partnership, including a limited partnership and limited liability partnership, joint venture, association, company, limited liability company, joint-stock company or business trust (each, a "Corporation") organized and existing under the laws of the United States of America or of one of the states of the United States or the District of Columbia or of a foreign jurisdiction which consents to the jurisdiction of the courts of the United States or the courts of one of the states of the United States if the surviving, resulting or transferee entity, if not the Company, expressly assumes by an agreement supplemental to the Agreement, all obligations of the Company under the Agreement.

Pledge and Security

Pursuant to the Agreement, the Authority has assigned and pledged to the Trustee all payments by the Company under the Agreement to secure the payment of the principal of and premium, if any, and interest on the Bonds. The Authority has also pledged and assigned to the Trustee all its other rights and interests under the Agreement (other than its rights to indemnification and reimbursement of expenses contained in the Agreement).

Deposit of Bond Proceeds

The proceeds of the sale of the Bonds shall be deposited first to the Bond Fund in an amount equal to the accrued interest, if any, paid by the purchasers of the Bonds, then the remaining balance to the Refunding Fund for the redemption of the Refunded Bonds.

Investments

The moneys in the Funds under the Agreement will, at the specific written direction of the Company, be invested in securities or obligations specified in the Agreement. All income or other gain from such investments will be credited, and any loss will be charged, to the particular fund from which the investments were made.

Establishment of Funds

The following funds shall be established and maintained with the Trustee for the account of the Company, to be held in trust and applied subject to the provisions of the Agreement:

Bond Fund;
Refunding Fund; and
First Mortgage Bond Fund

Bond Fund

The moneys and investments held in the Bond Fund shall be applied, except as otherwise provided, solely to the payment of the principal of, redemption premiums, if any, and interest on the Bonds.

Refunding Fund

The moneys and investments held in the Refunding Fund shall be applied, except as otherwise provided, solely to the redemption of the Refunded Bonds.

First Mortgage Bond Fund

All payments, if any, made on the First Mortgage Bonds shall be deposited to the First Mortgage Bond Fund. Any funds in the First Mortgage Bond Fund shall be applied first to any amounts which the Company may be required to pay to the Trustee or the Paying Agent, as appropriate, for deposit in the Bond Fund, pending such application, shall be subject to a lien and charge in favor of the holders of the Bonds.

Application of Moneys – Priorities

As contemplated by and provided for in the Agreement, funds drawn under the Financial Guaranty Insurance Policy will be used only for the payment of principal of and interest on the Bonds, as provided in the Financial Guaranty Insurance Policy. If the Trustee collects any money pursuant to the provisions of the Agreement relating to default and limitations of liability, or if any moneys shall be on deposit in the Bond Fund at the time of the acceleration of the Bonds or shall be deposited into the Bond Fund as a result of such an acceleration, it shall pay out such moneys in the following order: first, to the Trustee for amounts to which it is entitled (provided, that if such money constitutes proceeds from the Financial Guaranty Insurance Policy, the Trustee shall only use such proceeds to pay the holders of the Bonds); second, to holders for amounts due and unpaid on the Bonds for

principal, premium and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Bonds for principal, premium and interest, respectively; third, to the Bond Insurer to the extent it certifies that moneys are owed to it under the Insurance Agreement between the Company and the Bond Insurer; and fourth, to the Company. The Trustee may fix a payment date for any payment to the Bondholders.

Events of Default

If any of the following events occur, it constitutes an "Event of Default" under the Agreement; provided that, in determining whether an Event of Default has occurred under paragraph (a) or (b), no effect shall be given to payments made on the Bonds pursuant to the Financial Guaranty Insurance Policy:

(a) Default in the due and punctual payment of interest on any Bond;

(b) Default in the due and punctual payment of the principal of, or premium, if any, on any Bond, whether at the stated maturity thereof, redemption thereof, or upon the acceleration thereof;

(c) Default in the due and punctual payment of the purchase price of any Bond required to be purchased in accordance with its terms;

(d) First Mortgage Bonds shall have been delivered in connection with the Bonds and a "default" as defined in the First Mortgage shall have occurred and be continuing;

(e) A trustee, receiver, custodian or similar official or agent shall be appointed for the Company or for any substantial part of its property and such trustee or receiver shall not be discharged within sixty (60) days;

(f) The Company shall commence a voluntary case under the federal bankruptcy laws, or shall make an assignment for the benefit of creditors, or shall apply for, consent to or acquiesce in the appointment of, or taking possession by, a trustee, receiver, custodian or similar official or agent for itself or any substantial part of its property;

(g) The Company shall have an order or decree for relief in an involuntary case under the federal bankruptcy laws entered against it, or a petition seeking reorganization, readjustment, arrangement, composition, or other similar relief as to it under the federal bankruptcy laws or any similar law for the relief of debtors shall be brought against it and shall be consented to by it or shall remain undismissed for sixty (60) days; or

(h) An "Event of Default" as defined in the Insurance Agreement shall have occurred and be continuing;

(i) The Company or the Authority shall fail to observe or perform in any material way any covenant, condition, agreement or provision contained in the Bonds or in the Agreement on the part of the Company or the Authority to be performed other than those set forth in clause (a), (b), (c), (d), (e), (f), (g) or (h) of this section, and such failure shall continue for ninety (90) days after written notice specifying such failure and requiring the same to be remedied shall have been given to the Company and the Authority by the Trustee, which notice may be given by the Trustee in its discretion and shall be given by the Trustee at the written request of the holders of not less than twenty-five percent (25%) in aggregate principal amount of all Bonds then outstanding, unless the Trustee and Bondholders of a principal amount of Bonds not less than the principal amount of the Bonds the Bondholders of which requested such notice, as the case may be, shall agree in writing to an extension of such period prior to its expiration; provided however, that the Trustee and the Bondholders of such principal amount of Bonds, as the case may be, shall be deemed to have agreed to an extension of such period if corrective action is initiated by the Authority or the Company on behalf of the Authority within such period and is being diligently pursued.

Remedies

Upon the occurrence and continuance of any Event of Default described in clause (a), (b), (c), (d), (e), (h) or (i) under "Events of Default" above, and further upon the condition that if any First Mortgage Bonds shall have

been delivered, all first mortgage bonds outstanding under the First Mortgage shall have become immediately due and payable in accordance with the terms of the First Mortgage, the Trustee may, with the consent of the Bond Insurer and, at the direction of the Bond Insurer or the Bondholders of not less than 25% in principal amount of the Bonds then outstanding with the consent of the Bond Insurer shall, by written notice to the Authority, the Bond Insurer and to the Company declare the Bonds to be immediately due and payable, whereupon, and upon the occurrence of an Event of Default as specified in clause (f) or (g) under "Events of Default" above without any further notice or action by the Trustee or the Authority, the Bonds shall, without further action, become and be immediately due and payable, any provisions of the Agreement or the Bonds to the contrary notwithstanding, and the Trustee shall give notice of acceleration to the Authority, and shall give notice thereof by mail to the Bondholders.

The provisions described in the preceding paragraph, however, are subject to the condition that if, after the principal of the Bonds shall have been so declared to be due and payable, and before any judgment or decree for the payment of moneys due shall have been obtained or entered as the Agreement provides, the Company or the Authority shall cause to be deposited with the Trustee a sum sufficient to pay all matured installments of interest upon all the Bonds and the principal of any and all Bonds which shall have become due otherwise than by reason of such declaration (with interest upon such principal and, to the extent permissible by law, on overdue installments of interest, at the rate per annum specified in the Agreement) and such amounts as shall be sufficient to cover reasonable compensation and reimbursement of expenses payable to the Trustee and any paying agent, tender agent and registrar, and all Events of Default under the Agreement other than nonpayment of the principal of Bonds which shall have become due by said declaration shall have been remedied, then, in every such case, such Event of Default shall be deemed waived and such declaration and its consequences rescinded and annulled, and the Trustee shall promptly give written notice of such waiver, rescission or annulment to the Authority and the Company, and shall give notice thereof to the Bondholders; but no such waiver, rescission and annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereon; provided, however, that if any First Mortgage Bonds shall have been delivered in connection with the Bonds, any waiver of "default" under the First Mortgage and a rescission and annulment of its consequences shall constitute a waiver of the corresponding Event of Default under the Agreement and a rescission and annulment of the consequences thereof, and the Trustee shall promptly give written notice of such waiver, rescission and annulment to the Authority and the Company, and notice to the Bondholders in the same manner as a notice of redemption; but no such waiver, rescission and annulment shall extend to or affect any subsequent default or Event of Default or impair any right or remedy consequent thereon.

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy by proceeding at law or in equity to collect the principal of and premium, if any, or interest on the Bonds or to enforce the performance of any provision of the Bonds or the Agreement. Notwithstanding anything to the contrary set forth in the Agreement, upon the occurrence and continuance of an Event of Default, so long as the Financial Guaranty Insurance Policy is in full force and effect and the Bond Insurer is not in default thereunder, the Bond Insurer shall be deemed to be the sole owner of all the Bonds with respect to the remedies and granting of waivers in the Agreement and shall be entitled to control and direct the enforcement of all rights and remedies granted to the Bondholders or the Trustee for the benefit of the Bondholders under the Agreement, including, without limitation: (i) the right to accelerate the principal of the Bonds as described in the Agreement, and (ii) the right to annul any declaration of acceleration, and the Bond Insurer shall also be entitled to approve all waivers of events of default.

Defeasance

If and when the whole amount of the principal, or Redemption Price and the interest so due and payable upon all of the Bonds shall be paid, or provision shall have been made for the payment of the same, together with all other sums payable under the Agreement by the Company on behalf of the Authority, including all fees and expenses of the Trustee and the Authority, then and in that case, the Agreement and the lien created by the Agreement shall be discharged and satisfied and the Authority shall be released from the covenants, agreements and obligations contained in the Agreement, and the Trustee shall assign and transfer to or upon the order of the Company all property (in excess of the amounts required for the foregoing) then held by the Trustee free and clear of any encumbrances and shall execute such documents as may be reasonably required by the Authority and the Company in this regard.

Subject to the provisions of the above paragraph, when any of the Bonds shall have been paid and if, at the time of such payment, all the covenants and promises in such Bonds and in the Agreement required or contemplated to be kept, performed and observed by the Authority (or by the Company on behalf of the Authority) or on its part on or prior to that time, then the Agreement shall be considered to have been discharged in respect of such Bonds and such Bonds shall cease to be entitled to the lien of the Agreement and such lien and all covenants, agreements and other obligations under the Agreement shall cease, terminate, become void and be completely discharged as to such Bonds.

Notwithstanding anything in the Agreement to the contrary, in the event that the principal and/or interest due on the Bonds shall be paid by the Bond Insurer pursuant to the Financial Guaranty Insurance Policy, the Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by and the assignment and pledge of the Revenues and Funds and all rights to receive them and all covenants, agreements and other obligations under the Agreement to the registered owners shall continue to exist and shall run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to the rights of such registered owners.

Removal of Trustee

The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee, the Authority, the Company, the Remarketing Agent, the Auction Agent, each Broker-Dealer, and the Bond Insurer and signed by the owners of a majority in aggregate principal amount of Bonds then outstanding. In addition, provided that no Event of Default, or event or circumstance which with the passage of time or the giving of notice could become an Event of Default, has occurred and is continuing, the Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Authority, the Trustee, the Remarketing Agent, the Auction Agent, each Broker-Dealer, the Bond Insurer and the Bondholders and signed by the Company, such removal to be effective only upon the acceptance of such appointment by a qualified successor Trustee. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of removal, the Trustee being removed may petition, at the expense of the Company, any court of competent jurisdiction for the appointment of a successor Trustee.

In addition, the Trustee may be removed at any time, at the request of the Bond Insurer, for any breach of the trust set forth in the Agreement. Notwithstanding any other provision of the Agreement, no removal, resignation or termination of the Trustee or any paying agent shall take effect until a successor, acceptable to the Bond Insurer, shall be appointed.

Supplemental Agreements

The Agreement may be modified or amended by supplemental agreements without consent of or notice to the Bondholders for any of the following purposes:

(i) to cure any ambiguity, defect or omission in the Agreement, or otherwise amend the Agreement, in such manner as shall not in the opinion of the Trustee impair the security of the Agreement;

(j) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the Bondholders or the Trustee;

(k) (i) to evidence any succession to the Authority and the assumption by its successor of the covenants, agreements and obligations of the Authority under the Agreement and the Bonds, (ii) to add additional covenants of the Authority, or (iii) to surrender any right or power in the Agreement conferred upon the Authority;

(l) to subject to the Agreement additional revenues, properties or collateral, which may be accomplished by, among other things, entering into instruments with the Company and/or other persons providing for further security, covenants, limitations or restrictions for the benefit of the Bonds;

(m) to modify, amend or supplement the Agreement or any Agreement supplemental to the Agreement in such manner as may be required to permit the qualification of the Agreement and thereof under the Trust

Agreement Act of 1939 or any similar federal statute hereafter in effect, and to add to the Agreement or any Agreement supplemental to the Agreement such other terms, conditions and provisions as may be required by said Trust Agreement Act of 1939 or similar federal statute;

(n) to amend any provision pertaining to matters under Federal income tax laws, including Section 148(f) of the Code;

(o) to authorize different authorized denominations of the Bonds and to make correlative amendments and modifications to the Agreement regarding exchangeability of Bonds of different authorized denominations, redemptions of portions of Bonds of particular authorized denominations and similar amendments and modifications of a technical nature;

(p) to increase or decrease the number of days specified for the giving of notices pertaining to mandatory tender and to make corresponding changes to the period for notice of mandatory tender of the Bonds; provided that no decreases in any such number of days shall become effective except while the Bonds bear interest at a Daily Rate or a Weekly Rate and until 30 days after the Trustee has given notice to the owners of the Bonds;

(q) to provide for an uncertificated system of registering the Bonds or to provide for the change to or from a Book Entry System for the Bonds;

(r) to evidence the succession of a new Trustee or the appointment by the Trustee or the Authority of a co trustee;

(s) to make any change related to the Bonds that does not materially adversely affect the rights of any Bondholder;

(t) prior to, or concurrently with, the conversion of the Bonds to an Auction Rate Period, to make any change appropriate or necessary with respect to the procedures, definitions or provisions related to the Auction Mode Rate in order to provide for or facilitate the marketability of Bonds in the Auction Mode Rate; and

(u) to make any other changes to the Agreement that take effect as to any or all remarketed Bonds following a mandatory tender.

Exclusive of supplemental agreements entered into for the purposes described in the preceding paragraphs, and not otherwise, the holders of not less than a majority in aggregate principal amount of the Bonds outstanding shall have the right, from time to time, to consent to and approve the execution by the Company, the Authority and the Trustee of such other agreement or agreements supplemental to the Agreement as shall be deemed necessary and desirable by the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of terms or provisions contained in the Agreement or in any agreement supplemental to the Agreement; provided, however, that nothing in the Agreement contained shall permit, or be construed as permitting (i) without the consent of the holder of the affected Bond an extension of the maturity of the principal of or the interest on any Bond issued under the Agreement, or a reduction in the principal amount of, or redemption premium on, any Bond or the rate or rates of interest thereon, or (ii) without the consent of the holders of all Bonds outstanding a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental agreement.

Rights of the Bond Insurer

Notwithstanding anything in the Agreement to the contrary, for so long as the Financial Guaranty Insurance Policy shall be in full force and effect and provided that the Bond Insurer shall not have defaulted and is not continuing to default on its obligations under the Financial Guaranty Insurance Policy, (1) the Bond Insurer shall be deemed to be the sole owner of all Bonds for all purposes of the provisions in the Agreement relating to default by the Company and actions for protection of the Bondholders and (2) the Bond Insurer shall be deemed to be the sole owner of all Bonds at all times for the purpose of giving consent and direction when consent of the Bondholders is required by the Agreement, other than for the purpose of making amendments which pursuant to the Agreement require the unanimous written consent of the affected Bondholders. Provided that the Bond Insurer has not failed to

make a payment under the Financial Guaranty Insurance Policy, the following provisions shall apply with respect to the Bonds:

Consent of the Bond Insurer. Any provision of the Agreement expressly recognizing or granting rights in or to the Bond Insurer may not be amended in any manner which affects the rights of the Bond Insurer under the Agreement without the prior written consent of the Bond Insurer.

Consent of the Bond Insurer in lieu of Bondholder Consent. Unless otherwise provided in this section, the Bond Insurer's consent shall be required in lieu of Bondholder consent, when required, for the following purposes: (i) execution and delivery of any supplemental agreement or any amendment, supplement or change to or modification of the Agreement (ii) removal of the Trustee and selection and appointment of any successor trustee or paying agent, if any; and (iii) initiation or approval of any action not described in (i) or (ii) above which requires Bondholder consent.

Consent of the Bond Insurer in the Event of Insolvency. In the event of any reorganization or liquidation of the Company, the Bond Insurer shall have the right to vote on behalf of all Bondholders who hold the Bond Insurer-insured Bonds with respect to any plan of reorganization or liquidation for the Company absent a default by the Bond Insurer under the applicable Financial Guaranty Insurance Policy insuring such Bonds.

Consent of the Bond Insurer Upon Default. Anything in the Agreement to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default, the Bond Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Bondholders or the Trustee for the benefit of the Bondholders under the Agreement, including, without limitation: (i) the right to accelerate the principal of the Bonds as described in the Agreement, and (ii) the right to annul any declaration of acceleration, and the Bond Insurer shall also be entitled to approve all waivers of events of default.

Acceleration Rights. Upon the occurrence of an Event of Default, the Trustee may, with the consent of the Bond Insurer, and shall, at the direction of the Bond Insurer or 25% of the Bondholders with the consent of the Bond Insurer, by written notice to the Company and the Bond Insurer, declare the principal of the Bonds to be immediately due and payable, whereupon that portion of the principal of the Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in the Agreement or in the Bonds to the contrary notwithstanding.

Certain Information to be given to the Bond Insurer. The Bond Insurer shall have the right to direct an accounting at the Company's expense, and the Company's failure to comply with such direction within thirty (30) days after receipt of written notice of the direction from the Bond Insurer shall be deemed a default under the Agreement; *provided, however,* that if compliance cannot occur within such period, then such period will be extended so long as compliance is begun within such period and diligently pursued, but only if such extension would not materially adversely affect the interests of any registered owner of the Bonds.

Trustee Related Provisions.

(i) The Trustee may be removed at any time, at the request of the Bond Insurer, for any breach of the trust set forth in the Agreement.

(ii) The Bond Insurer shall receive prior written notice of any Trustee or any paying agent resignation.

(iii) Every successor Trustee appointed pursuant to the Agreement shall be acceptable to the Bond Insurer. No paying agent shall be appointed pursuant to the Agreement unless the Bond Insurer approves such appointment in writing.

(iv) Notwithstanding any other provision of the Agreement, in determining whether the rights of the Bondholders will be adversely affected by any action taken pursuant to the terms and provisions of the Agreement, the Trustee shall consider the effect on the Bondholders as if there were no Financial Guaranty Insurance Policy.

(v) Notwithstanding any other provision of the Agreement, no removal, resignation or termination of the Trustee or any paying agent shall take effect until a successor, acceptable to the Bond Insurer, shall be appointed.

The Bond Insurer As Third Party Beneficiary. To the extent that the Agreement confers upon or gives or grants to the Bond Insurer any right, remedy or claim under or by reason of the Agreement, the Bond Insurer is explicitly recognized as being a third-party beneficiary under the Agreement and may enforce any such right, remedy or claim conferred, given or granted under the Agreement.

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APPENDIX C
PROPOSED OPINION OF BOND COUNSEL

Letterhead of Edwards Angell Palmer & Dodge LLP

January __, 2006

Hillsborough County Industrial
Development Authority
c/o Thomas K. Morrison
Morrison & Mills, P.A.
1200 West Platt, Suite 100
Tampa, Florida 33606

J.P. Morgan Securities Inc.,
as representative of the Underwriters
270 Park Avenue, 48th Floor
New York, New York 10017

The Bank of New York Trust
Company, N.A., as Trustee
10161 Centurion Parkway
Jacksonville, Florida 32256

$85,950,000
Hillsborough County Industrial Development Authority
Pollution Control Revenue Refunding Bonds
(Tampa Electric Company Project)
Series 2006 (the "Bonds")

We have acted as bond counsel in connection with the issuance by the Hillsborough County Industrial Development Authority (the "Authority") of the above-captioned Bonds. In such capacity, we have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion, including the Loan and Trust Agreement dated as of January 5, 2006 (the "Agreement") among the Authority, Tampa Electric Company (the "Company") and The Bank of New York Trust Company, N.A., as Trustee (the "Trustee"). Terms not defined herein shall have the same meanings as set forth in the Agreement.

As to questions of fact material to our opinion we have relied upon representations and covenants of the Authority and the Company contained in the Agreement, the certified proceedings and other certifications of public officials furnished to us, and certifications by officials of the Company and others, without undertaking to verify the same by independent investigation.

The Bonds are issued pursuant to the Agreement. Under the Agreement, the Company has agreed to make payments sufficient to pay when due the principal of, purchase price of and premium (if any) and interest on the Bonds. Such payments and other moneys payable to the Authority or the Trustee under the Agreement, including proceeds derived from any security provided thereunder (collectively, the "Revenues"), and the rights of the Authority under the Agreement to receive the same (excluding, however, certain administrative fees, indemnification and reimbursements), are pledged and assigned by the Authority to the Trustee as security for the Bonds. The Bonds are payable solely from the Revenues. The Bonds do not constitute a general obligation of the Authority nor are they a debt or pledge of the faith and credit of the State of Florida. Reference is hereby made to the Agreement and the Agreement for detailed statements of the rights and obligations (and limitations on liability, as the case may be) of the Authority, the Company, the Trustee and the owners of the Bonds.

We express no opinion with respect to compliance by the Company with applicable legal requirements in connection with the acquisition, construction, equipping, leasing or operation of the Project, or with the Agreement.

Reference is made to opinion of even date of Sheila M. McDevitt, Esq., counsel to the Company, with respect to, among other matters, the corporate existence of the Company, the power of the Company to carry out the Project being refinanced in part by the Bonds, the power of the Company to enter into and perform its obligations under the Agreement, and the authorization, execution and delivery of the Agreement by the Company.

Based on the foregoing, we are of the opinion that:

1. The Authority is a validly existing public body corporate and politic created under Florida Statutes §159.45, with all necessary power and authority to enter into and perform its obligations under the Agreement, the Purchase Contract and the Bonds.

2. The Agreement has been duly authorized, executed and delivered by the Authority and is a valid and binding obligation of the Authority enforceable against the Authority.

3. The Bonds have been duly authorized, executed and delivered by the Authority and are valid and binding special limited obligations of the Authority, payable solely from the Revenues.

4. Interest on the Bonds is excluded from the gross income of the owners of the Bonds for federal income tax purposes, assuming continued compliance with certain covenants, and assuming the continued use of the Project as air or water pollution control facilities under the Code (as defined herein). In addition, interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes. However, such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. We express no opinion as to the status of interest on any Bond during any period while it is being held by a person who is a "substantial user" of the Project or a "related person" within the meaning of the Internal Revenue Code of 1954, as amended (the "Code"). Further, the Code and Title XIII of the Tax Reform Act of 1986 establishes certain requirements that must be continuously satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to remain excluded from gross income for federal income tax purposes. These requirements include restrictions on the use, expenditure and investment of bond proceeds and the payment of rebates, or penalties in lieu of rebate, to the United States. Failure to comply with these requirements may cause interest on the Bonds to become included in the gross income of the owners thereof for federal income tax purposes retroactive to the date of issuance of the Bonds. The Company, and, to the extent necessary, the Authority have covenanted to comply with such requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

5. Under Florida Statutes §159.31, the Bonds, their transfer, and the income therefrom (including any profit on the sale thereof) will be free from taxation by the State of Florida or any local unit, political subdivision or instrumentality thereof, except for taxes imposed by Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Edwards Angell Palmer & Dodge LLP

APPENDIX D
FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed and delivered by the Tampa Electric Company (the "Company") and The Bank of New York Trust Company, N.A. (the "Trustee") in connection with the issuance of $85,950,000 Hillsborough County Industrial Development Authority (Florida) Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project), Series 2006 (the "Bonds"). The Bonds are being issued and the proceeds thereof loaned to the Company pursuant to the Loan and Trust Agreement dated as of January 5, 2006 (the "Agreement") among the Hillsborough County Industrial Development Authority (the "Issuer"), the Company and the Trustee. The Company and the Trustee covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Company and the Trustee for the benefit of the Owners of the Bonds and in order to assist the Participating Underwriters in complying with the Rule. The Company and the Trustee acknowledge that the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Agreement, and has no liability to any person, including any Owner of the Bonds, with respect to any such reports, notices or disclosures.

SECTION 2. Definitions. In addition to the definitions set forth in the Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Company pursuant to, and as described in, Section 3 of this Disclosure Agreement.

"Dissemination Agent" shall mean the Company, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Company and which has filed with the Trustee a written acceptance of such designation.

"Listed Events" shall mean any of the events listed in Section 4(a) of this Disclosure Agreement.

"National Repository" shall mean any nationally recognized municipal securities information repository for purposes of the Rule. The current National Repositories are listed on Exhibit A attached hereto.

"Owners of the Bonds" shall mean the registered owners, including beneficial owners, of the Bonds.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Repository" shall mean each National Repository and each State Repository.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"State Repository" shall mean any public or private repository or entity designated by the State of Florida as a state information repository for the purpose of the Rule. As of the date of this Disclosure Agreement, there is no State Repository.

"Transmission Agent" shall mean any central filing office, conduit or similar entity which undertakes responsibility for accepting filings under the Rule for submission to each Repository. The current Transmission Agent is listed on Exhibit A attached hereto.

SECTION 3. Provision of Annual Reports.

(a) The Company shall, or shall cause the Dissemination Agent to, not later than May 31 of each year, commencing May 31, 2006, provide to each Repository a copy of the Company's Annual Report on Form 10-K for each fiscal year filed with the SEC (or any successor form adopted by the SEC) containing audited financial statements of the Company (or attaching thereto the annual report to shareholders if such information is incorporated by reference in such Form 10-K from such annual report). In the event that the Company no longer files such reports with the SEC under the Securities Exchange Act of 1934, as amended, it will deliver to each Repository within the time set forth in this paragraph, a copy of its audited financial statements, prepared in accordance with generally accepted accounting principles and operating data (within the meaning of the Rule), of the type incorporated by reference in the Official Statement dated January 10, 2006 with respect to the Bonds. The deliveries described in this paragraph may be accomplished by delivery of an instrument incorporating by reference material on file with the SEC. Not later than fifteen (15) business days prior to said date, the Company shall provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information; provided that the audited financial statements of the Company may be submitted, when available, separately from the balance of the Annual Report. If audited financial statements for the preceding fiscal year are not available when the Annual Report is submitted, the Annual Report will include unaudited financial statements for the preceding fiscal year and the Company shall provide the audited financial statements as soon as practicable after the audited financial statements become available.

(b) If by fifteen (15) business days prior to the date specified in subsection (a) for providing the Annual Report to the Repositories, the Trustee has not received a copy of the Annual Report, the Trustee shall contact the Company, the Issuer and the Dissemination Agent and notify them that the Trustee has not received the Annual Report.

(c) If an Annual Report has not been provided to the Repositories by the date required in subsection (a), the Dissemination Agent shall send a notice to each Repository in substantially the form attached as Exhibit B.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each National Repository and each State Repository, if any (insofar as determinations regarding National Repositories are concerned, the Dissemination Agent or the Company, as applicable, may rely conclusively on the list of National Repositories maintained by the SEC); and

(ii) file a report with the Company, the Issuer and the Trustee (if the Dissemination Agent is not the Trustee) certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided, and listing all the Repositories to which it was provided.

SECTION 4. Reporting of Material Events.

(a) This Section 4 shall govern the giving of notices of the occurrence of any of the following events with respect to the Bonds, to the extent known by the Company as applicable:

(i) Principal and interest payment delinquencies.

(ii) Non-payment related defaults.

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties.

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties.

(v) Substitution of credit or liquidity providers, or their failure to perform.

(vi) Adverse tax opinions or events affecting the tax-exempt status of the security.

(vii) Modifications to rights of the security holders.

(viii) Bond calls.

(ix) Defeasances.

(x) Release, substitution or sale of property securing repayment of the securities.

(xi) Rating changes.

(b) Whenever the Company obtains knowledge of the occurrence of a Listed Event, if such Listed Event is material under applicable federal securities laws, the Company shall promptly report the occurrence pursuant to subsection (d).

(c) If such Listed Event is not material the Company shall not report the occurrence pursuant to subsection (d).

(d) If the Company has concluded that it must report the occurrence of a Listed Event to comply with the Rule, the Company shall, or shall cause the Dissemination Agent to, file a notice of such occurrence with the Repositories, the Trustee and the Issuer.

SECTION 5. Termination of Reporting Obligation. The Company's obligations under this Disclosure Agreement shall terminate upon the defeasance in accordance with the terms of the Agreement, prior redemption or payment in full of all of the Bonds or upon delivery to the Trustee of an opinion of counsel expert in federal securities laws selected by the Company and acceptable to the Trustee to the effect that compliance with this Disclosure Agreement no longer is required by the Rule. If the Company's obligations under the Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the Company and the original Company shall have no further responsibility hereunder.

SECTION 6. Dissemination Agent. The Company may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Company shall be the Dissemination Agent.

SECTION 7. Alternate Methods for Reporting. The Company may satisfy its obligation to make a filing with each Repository hereunder by transmitting the same to a Transmission Agent if and to the extent such Transmission Agent has received an interpretive advice from the Securities and Exchange Commission, which has not been withdrawn, to the effect that an undertaking to transmit a filing to such Transmission Agent for submission to each Repository is an undertaking described in the Rule.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Company and the Trustee may amend this Disclosure Agreement (and the Trustee shall agree to any amendment so requested by the Company) and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel, which may include bond counsel to the Issuer, expert in federal securities laws acceptable to both the Company and the Trustee to the effect that such amendment or waiver would not, in and of itself, violate the Rule. Without limiting the foregoing, the Company and the Trustee may amend this Disclosure Agreement if (a) such amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Company or of the type of business conducted by the Company, (b) this Disclosure Agreement, as so amended, would have complied with the requirements of the Rule at the time the Bonds were issued, taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (c) (i) the Trustee receives an opinion of counsel, which may include bond counsel to the Issuer, expert in federal securities laws and acceptable to the

Trustee to the effect that, the amendment does not materially impair the interests of the Owners of Bonds or (ii) the amendment is consented to by the Owners of Bonds as though it were an amendment to the Agreement pursuant to Section 1202 of the Agreement. The annual financial information containing the amended operating data or financial information will explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided. Neither the Trustee nor the Dissemination Agent shall be required to accept or acknowledge any amendment of this Disclosure Agreement if the amendment adversely affects its respective rights or immunities or increases its respective duties hereunder.

If the amendment pertains to the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall include a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information in order to provide information to investors to enable them to evaluate the ability of the Company to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. A notice of the change in the accounting principles shall be sent to each Repository.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Company from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Company chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Company shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Company or the Trustee to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of Owners of Bonds representing at least 25% in aggregate principal amount of Outstanding Bonds, shall), take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Company or the Trustee, as the case may be, to comply with its obligations under this Disclosure Agreement. Without regard to the foregoing, any Owner of Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Company or the Trustee, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Agreement or the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Company or the Trustee to comply with this Disclosure Agreement shall be an action for specific performance of the defaulting party's obligations hereunder and not for money damages in any amount.

SECTION 11. Duties, Immunities and Liabilities of Trustee and Dissemination Agent. Article VIII of the Agreement is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Agreement. The Dissemination Agent (if other than the Company) shall have only such duties as are specifically set forth in this Disclosure Agreement. The Company agrees, to the extent permitted by law, to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees and expenses) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Company under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Institution covenants that whenever it is serving as Dissemination Agent, it shall take any action required of the Dissemination Agent under this Disclosure Agreement.

SECTION 12. Obligations of Trustee. The Company and the Trustee hereby agree that the Trustee has no obligations hereunder to provide the Annual Report or any other information or any notices of the occurrence of Listed Events, regardless of whether the Trustee has actual knowledge thereof, to any person listed herein or otherwise; provided however, that the foregoing shall not limit in any respect the obligations of the Trustee under Section 3(b) hereof. The Trustee is a party hereto in order to allow the Trustee to enforce the Company's duties herein for the benefit of the Owners of the Bonds.

SECTION 13. Disclaimer. No Annual Report or notice of a Listed Event filed by or on behalf of the Company under this Disclosure Agreement shall obligate the Company to file any information regarding matters other than those specifically described in Section 4 hereof, nor shall any such filing constitute a representation by the Company or raise any inference that no other material events have occurred with respect to the Company or the Bonds or that all material information regarding the Company or the Bonds has been disclosed. The Company shall have no obligation under this Disclosure Agreement to update information provided pursuant to this Disclosure Agreement except as specifically stated herein.

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Company, the Trustee, the Dissemination Agent, and the Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 16. Notices. Unless otherwise expressly provided, all notices to the Issuer, the Company, the Trustee, and the Dissemination Agent shall be in writing and shall be deemed sufficiently given if sent by registered or certified mail, postage prepaid, or delivered during a Business Day to such parties at the address specified in Section 1301 of the Agreement or, as to all of the foregoing, to such other address as the addressee shall have indicated by prior written notice to the one giving notice.

SECTION 17. Governing Law. This instrument shall be governed by the laws of the State of Florida.

IN WITNESS WHEREOF, the parties have caused this Disclosure Agreement to be duly executed all as of the date hereof.

Date: January __, 2006

TAMPA ELECTRIC COMPANY

By:_____
Title:

THE BANK OF NEW YORK TRUST COMPANY, N.A.,
as Trustee

By:_____
Title:

EXHIBIT A
NATIONAL REPOSITORIES

Bloomberg Municipal Repository
100 Business Park Drive
Skillman, NJ 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
http://www.bloomberg.com/markets/rates/municontacts.html
Email: Munis@Bloomberg.com

DPC Data Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
http://www.dpcdata.com
Email: nrmsir@dpcdata.com

FT Interactive Data
Attn: NRMSIR
100 William Street, 15th Floor
New York, NY 10038
Phone: 212-771-6999; 800-689-8466
Fax: 212-771-7390
http://www.ftid.com
Email: NRMSIR@interactivedata.com

Standard & Poor's Securities Evaluations, Inc.
55 Water Street
45th Floor
New York, NY 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
www.jjkenny.com/jjkenny/pser_descrip_data_rep.html
Email: nrmsir_repository@sandp.com

Transmission Agent

Disclosure USA
P.O. Box 684667
Austin, Texas 78768-4667
www.DisclosureUSA.org

EXHIBIT B

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Hillsborough County Industrial Development Authority

Name of Issue: Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project), Series 2006
Date of Issuance: January __, 2006

NOTICE IS HEREBY GIVEN that the Company has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated January __, 2006 between the Company and the Trustee. The Company anticipates that the Annual Report will be filed by _____.

Dated:_____

TAMPA ELECTRIC COMPANY

cc: The Bank of New York Trust Company, N.A., as Trustee

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APPENDIX E
AUCTION PROCEDURES

The following is a summary of the Auction Procedures set forth in Exhibit C to the Agreement.

TABLE OF CONTENTS

ARTICLE I

DEFINITIONS

In addition to the words and terms elsewhere defined in this Official Statement, the following words and terms as used in this Appendix E and elsewhere in this Official Statement have the following meanings with respect to Bonds in an Auction Rate Period unless the context or use indicates another or different meaning or intent.

"*Agent Member*" means a member of, or participant in, the Securities Depository who shall act on behalf of a Bidder.

"*All Hold Rate*" means, as of any Auction Date, 65% of the Reference Rate in effect on such Auction Date.

"*Auction*" means each periodic implementation of the Auction Procedures.

"*Auction Agent*" means the auctioneer appointed in accordance with Section 3.01 or 3.02 of this Appendix E.

"*Auction Agreement*" means an agreement among the Company, the Auction Agent and the Trustee pursuant to which the Auction Agent agrees to follow the procedures specified in this Appendix E with respect to the Bonds while bearing interest at an Auction Mode Rate, as such agreement may from time to time be amended or supplemented.

"*Auction Date*" means during any period in which the Auction Procedures are not suspended in accordance with the provisions hereof, (i) if the Bonds are in a daily Auction Period, each Business Day, (ii) if the Bonds are in an Auction Period of 92 or more days, the last Business Day in such Auction Period and (iii) if the Bonds are in any other Auction Period, the Business Day next preceding each Interest Payment Date for such Bonds (whether or not an Auction shall be conducted on such date); *provided, however*, that the last Auction Date with respect to the Bonds in an Auction Period other than a daily Auction Period shall be the earlier of (a) the Business Day next preceding the Interest Payment Date next preceding the Conversion Date for the Bonds and (b) the Business Day next preceding the Interest Payment Date next preceding the final maturity date for the Bonds; and *provided, further*, that if the Bonds are in a daily Auction Period, the last Auction Date shall be the earlier of (x) the Business Day next preceding the Conversion Date for the Bonds and (y) the Business Day next preceding the final maturity date for the Bonds. On the Business Day preceding the conversion from a daily Auction Period to another Auction Period, there shall be two Auctions, one for the last daily Auction Period and one for the first Auction Period following the conversion. The first Auction Date for the Bonds is January 24, 2006.

"*Auction Mode Rate*" means the rate of interest to be borne by the Bonds during each Auction Period determined in accordance with Section 2.04 of this Appendix E; *provided, however*, in no event may the Auction Mode Rate exceed the Maximum Interest Rate.

"*Auction Period*" means any period from one day to five years during which the Bonds bear interest at a single Auction Mode Rate, as established pursuant to the Agreement.

"*Auction Procedures*" means the procedures for conducting Auctions for Bonds during an Auction Rate Period set forth in this Appendix E.

"*Auction Rate*" means for each Auction Period, (i) if Sufficient Clearing Bids exist, the Winning Bid Rate, *provided, however*, if all of the Bonds are the subject of Submitted Hold Orders, the All Hold Rate and (ii) if Sufficient Clearing Bids do not exist, the Maximum Interest Rate.

"*Authorized Denominations*" means $25,000 and integral multiples thereof, notwithstanding anything else in the Agreement to the contrary, so long as the Bonds bear interest at an Auction Mode Rate.

"*Available Bonds*" means on each Auction Date, the aggregate principal amount of Bonds that are not the subject of Submitted Hold Orders.

"*Bid*" has the meaning specified in subsection (a) of Section 2.02 of this Appendix E.

"*Bidder*" means each Existing Owner and Potential Owner who places an Order.

"*Broker-Dealer*" means any entity that is permitted by law to perform the function required of a Broker-Dealer described in this Appendix E, that is a member of, or a direct participant in, the Securities Depository, that has been selected by the Company, and that is a party to a Broker-Dealer Agreement with the Company and the Auction Agent.

"*Broker-Dealer Agreement*" means an agreement among the Auction Agent, the Company and a Broker-Dealer pursuant to which such Broker-Dealer agrees to follow the procedures described in this Appendix E, as such agreement may from to time be amended or supplemented.

"*Business Day*" shall mean any day other than a Saturday or Sunday or other than a day on which commercial banks located in all of the cities in which the designated offices of the Trustee and each Broker-Dealer and the Principal Office of the Auction Agent are located are authorized by law or regulation to close or on which the New York Stock Exchange is closed.

"*Conversion Date*" means the date on which the Bonds begin to bear interest at a Daily Rate, a Weekly Rate, a Commercial Paper Rate or a Long-Term Interest Rate.

"*Existing Owner*" means a Person who is listed from time to time as the beneficial owner of Bonds in the records of the Auction Agent.

"*Failed Auction*" means an Auction for which there were not Sufficient Clearing Bids.

"*Hold Order*" has the meaning specified in subsection (a) of Section 2.02 of this Appendix E.

"*Initial Period*" means the period from the date of original issuance of the Bonds to, but not including, January 25, 2006.

"*Interest Payment Date*" with respect to Bonds bearing interest at Auction Mode Rates, means January 25, 2006, and thereafter (a) when used with respect to any Auction Period of less than 92 days (other than a daily Auction Period), the Business Day immediately following such Auction Period, (b) when used with respect to a daily Auction Period, the first Business Day of the month immediately succeeding such Auction Period, (c) when used with respect to an Auction Period of 92 or more days, each 13th Wednesday after the first day of such Auction Period or the next Business Day if such Wednesday is not a Business Day and on the Business Day immediately following such Auction Period, (d) each Conversion Date and (e) the Maturity Date.

"*Maximum Interest Rate*" means (i) 14% on the date hereof and (ii) to the extent the maximum rate permitted by applicable law shall become less than 14%, then the maximum rate permitted by applicable law.

"*Order*" means a Hold Order, Bid or Sell Order.

"*Potential Owner*" means any Person, including any Existing Owner, who may be interested in acquiring a beneficial interest in the Bonds in addition to the Bonds currently owned by such Person, if any.

"*Principal Office*" means, with respect to the Auction Agent, the office thereof designated in writing to the Company, the Trustee and each Broker-Dealer.

"*Rating Agencies*" means Fitch, Moody's and S&P.

"*Reference Rate*" shall have the meaning specified in Section 2.07 of this Appendix E.

"*Securities Depository*" means The Depository Trust Company and its successors and assigns or any other securities depository selected by the Company which agrees to follow the procedures required to be followed by such securities depository in connection with the Bonds.

"*Sell Order*" has the meaning specified in subsection (a) of Section 2.02 of this Appendix E.

"*Submission Deadline*" means 1:00 p.m., New York City time, on each Auction Date not in a daily Auction Period and 11:00 a.m., New York City time, on each Auction Date in a daily Auction Period, or such other time on such date as shall be specified from time to time by the Auction Agent pursuant to the Auction Agreement as the time by which Broker-Dealers are required to submit Orders to the Auction Agent.

"*Submitted Bid*" has the meaning specified in subsection (b) of Section 2.04 of this Appendix E.

"*Submitted Hold Order*" has the meaning specified in subsection (b) of Section 2.04 of this Appendix E.

"*Submitted Order*" has the meaning specified in subsection (b) of Section 2.04 of this Appendix E.

"*Submitted Sell Order*" has the meaning specified in subsection (b) of Section 2.04 of this Appendix E.

"*Successful Auction*" means an Auction for which there were Sufficient Clearing Bids.

"*Sufficient Clearing Bids*" means an Auction for which the aggregate principal amount of Bonds that are the subject of Submitted Bids by Potential Owners specifying one or more rates not higher than the Maximum Interest Rate is not less than the aggregate principal amount of Bonds that are the subject of Submitted Sell Orders and of Submitted Bids by Existing Owners specifying rates higher than the Maximum Interest Rate.

"*Winning Bid Rate*" means the lowest rate specified in any Submitted Bid which if selected by the Auction Agent as the Auction Rate, subject to the All Hold Rate, would cause the aggregate principal amount of Bonds that are the subject of Submitted Bids specifying a rate not greater than such rate to be not less than the aggregate principal amount of Available Bonds.

ARTICLE II

AUCTION PROCEDURES

Section 2.01. General Procedures. While the Bonds bear interest at the Auction Mode Rate, Auctions shall be conducted on each Auction Date (other than the Auction Date immediately preceding each Auction Rate Period commencing after the ownership of the Bonds is no longer maintained in the Book-Entry System pursuant to the Agreement). If there is an Auction Agent on such Auction Date, Auctions shall be conducted in the manner set forth in this Appendix E.

Section 2.02. Orders by Existing Owners and Potential Owners. (a) Prior to the Submission Deadline on each Auction Date:

(i) each Existing Owner may submit to a Broker-Dealer, in writing or by such other method as shall be reasonably acceptable to such Broker-Dealer, information as to:

(A) the principal amount of Bonds, if any, held by such Existing Owner which such Existing Owner irrevocably commits to continue to hold for the next succeeding Auction Period without regard to the rate determined by the Auction Procedures for such Auction Period,

(B) the principal amount of Bonds, if any, held by such Existing Owner which such Existing Owner irrevocably commits to continue to hold for the next succeeding Auction Period if the rate determined by the Auction Procedures for such Auction Period shall not be less than the rate per annum then specified by such Existing Owner (and which such Existing Owner irrevocably offers to sell on the next succeeding Auction Date (or the same day in the case of a daily Auction Period) if the rate determined by the Auction Procedures for the next succeeding Auction Period shall be less than the rate per annum then specified by such Existing Owner), and/or

(C) the principal amount of Bonds, if any, held by such Existing Owner which such Existing Owner irrevocably offers to sell on the next succeeding Auction Date (or on the same day in the case of a daily Auction Period) without regard to the rate determined by the Auction Procedures for the next succeeding Auction Period; and

(ii) for the purpose of implementing the Auctions and thereby to achieve the lowest possible interest rate on the Bonds, the Broker-Dealers shall contact Potential Owners, including Persons that are Existing Owners, to determine the principal amount of Bonds, if any, which each such Potential Owner irrevocably offers to purchase if the rate determined by the Auction Procedures for the next succeeding Auction Period is not less than the rate per annum then specified by such Potential Owner.

For the purposes hereof an Order containing the information referred to in clause (i)(A) above is herein referred to as a "*Hold Order*," an Order containing the information referred to in clause (i)(B) or (ii) above is herein referred to as a "*Bid*," and an Order containing the information referred to in clause (i)(C) above is herein referred to as a "*Sell Order*."

(b) (i) Subject to the provisions of Section 2.03 of this Appendix E, a Bid by an Existing Owner shall constitute an irrevocable offer to sell:

(A) the principal amount of Bonds specified in such Bid if the rate determined by the Auction Procedures on such Auction Date shall be less than the rate specified therein; or

(B) such principal amount or a lesser principal amount of Bonds to be determined as set forth in subsection (a)(v) of Section 2.05 of this Appendix E if the rate determined by the Auction Procedures on such Auction Date shall be equal to such specified rate; or

(C) a lesser principal amount of Bonds to be determined as set forth in subsection (b)(iv) of Section 2.05 of this Appendix E if such specified rate shall be higher than the Maximum Interest Rate and Sufficient Clearing Bids do not exist.

(ii) Subject to the provisions of Section 2.03 of this Appendix E, a Sell Order by an Existing Owner shall constitute an irrevocable offer to sell:

(A) the principal amount of Bonds specified in such Sell Order; or

(B) such principal amount or a lesser principal amount of Bonds as set forth in subsection (b)(iv) of Section 2.05 of this Appendix E if Sufficient Clearing Bids do not exist.

(iii) Subject to the provisions of Section 2.03 of this Appendix E, a Bid by a Potential Owner shall constitute an irrevocable offer to purchase:

(A) the principal amount of Bonds specified in such Bid if the rate determined by the Auction Procedures on such Auction Date shall be higher than the rate specified therein; or

(B) such principal amount or a lesser principal amount of Bonds as set forth in subsection (a)(vi) of Section 2.05 of this Appendix E if the rate determined by the Auction Procedures on such Auction Date shall be equal to such specified rate.

(c) Anything herein to the contrary notwithstanding:

(i) for purposes of any Auction, any Order which specifies Bonds to be held, purchased or sold in a principal amount which is not $25,000 or an integral multiple thereof shall be rounded down to the nearest $25,000, and the Auction Agent shall conduct the Auction Procedures as if such Order had been submitted in such lower amount;

(ii) for purposes of any Auction other than during a daily Auction Period, any portion of an Order of an Existing Owner which relates to a Bond which has been called for redemption on or prior to the Interest Payment Date next succeeding such Auction shall be invalid with respect to such portion and the Auction Agent shall conduct the Auction Procedures as if such portion of such Order had not been submitted;

(iii) for purposes of any Auction other than during a daily Auction Period, no portion of a Bond which has been called for redemption on or prior to the Interest Payment Date next succeeding such Auction shall be included in the calculation of Available Bonds for such Auction; and

(iv) the Auction Procedures shall be suspended during the period commencing on the date of the Auction Agent's receipt of notice from the Trustee of an occurrence of an Event of Default resulting from the failure to pay the principal or interest on any Bond when due followed by the failure of the Bond Insurer to pay a proper claim under the Policy related to the Bonds, but shall resume two Business Days after the date on which the Auction Agent receives notice from the Trustee that such Event of Default or failure by the Bond Insurer to pay has been waived or cured, with the next Auction to occur on the next regularly scheduled Auction Date occurring thereafter.

Section 2.03. Submission of Orders by Broker-Dealers to Auction Agent. (a) Each Broker-Dealer shall submit to the Auction Agent in writing or by such other method as shall be reasonably acceptable to the Auction Agent, prior to the Submission Deadline on each Auction Date, all Orders obtained by such Broker-Dealer and specifying, with respect to each Order:

(i) the aggregate principal amount of Bonds, if any, that are the subject of such Order;

(ii) to the extent that such Bidder is an Existing Owner:

(A) the principal amount of Bonds, if any, subject to any Hold Order placed by such Existing Owner;

(B) the principal amount of Bonds, if any, subject to any Bid placed by such Existing Owner and the rate specified in such Bid; and

(C) the principal amount of Bonds, if any, subject to any Sell Order placed by such Existing Owner; and

(iii) to the extent such Bidder is a Potential Owner, the rate and amount specified in such Potential Owner's Bid.

(b) If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Agent shall round such rate up to the next highest one thousandth of one percent (0.001%).

(c) If an Order or Orders covering all of the Bonds held by an Existing Owner is not submitted to the Auction Agent prior to the Submission Deadline, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Existing Owner covering the principal amount of Bonds held by such Existing Owner and not subject to Orders submitted to the Auction Agent; provided, however, that if there is a conversion from one Auction Period to another Auction Period and Orders have not been submitted to the Auction Agent prior to the Submission Deadline covering the aggregate principal amount of Bonds to be converted held by such Existing Owner, the Auction Agent shall deem a Sell Order to have been submitted on behalf of such Existing Owner covering the principal amount of Bonds to be converted held by such Existing Owner not subject to Orders submitted to the Auction Agent.

(d) If one or more Orders covering in the aggregate more than the principal amount of outstanding Bonds held by any Existing Owner are submitted to the Auction Agent, such Orders shall be considered valid as follows and in the following order of priority:

(i) all Hold Orders shall be considered valid Hold Orders, but only up to and including in the aggregate the principal amount of Bonds held by such Existing Owner, and if the aggregate principal amount of Bonds subject to such Hold Orders exceeds the aggregate principal amount of Bonds held by such Existing Owner, the aggregate principal amount of Bonds subject to each such Hold Order shall be reduced pro rata to cover the aggregate principal amount of outstanding Bonds held by such Existing Owner;

(ii) (A) any Bid of an Existing Owner shall be considered valid as a Bid of an Existing Owner up to and including the excess of the principal amount of Bonds held by such Existing Owner over the aggregate principal amount of the Bonds subject to Hold Orders referred to in paragraph (i) above;

(B) subject to clause (A) of this paragraph (ii), all Bids of an Existing Owner with the same rate shall be aggregated and considered a single Bid of an Existing Owner up to and including the excess of the principal amount of Bonds held by such Existing Owner over the principal amount of Bonds held by such Existing Owner subject to Hold Orders referred to in paragraph (i) of this subsection (d);

(C) subject to clause (A) of this paragraph (ii), if more than one Bid with different rates is submitted on behalf of such Existing Owner, such Bids shall be considered valid Bids of an Existing Owner in the ascending order of their respective rates up to the amount of the excess of the principal amount of Bonds held by such Existing Owner over the principal amount

of Bonds held by such Existing Owner subject to Hold Orders referred to in paragraph (i) of this subsection (d); and

(D) the principal amount, if any, of such Bonds subject to Bids not considered to be Bids of an Existing Owner under this paragraph (ii) shall be treated as the subject of a Bid by a Potential Owner at the rate specified therein; and

(iii) all Sell Orders shall be considered valid Sell Orders, but only up to and including a principal amount of Bonds equal to the excess of the principal amount of Bonds held by such Existing Owner over the sum of the principal amount of the Bonds considered to be subject to Hold Orders pursuant to paragraph (i) of this subsection (d) and the principal amount of Bonds considered to be subject to Bids of such Existing Owner pursuant to paragraph (ii) of this subsection (d).

(e) If more than one Bid is submitted on behalf of any Potential Owner, each Bid submitted with the same rate shall be aggregated and considered a single Bid and each Bid submitted with a different rate shall be considered a separate Bid with the rate and the principal amount of Bonds specified therein.

(f) None of the Authority, the Company, the Trustee, the Remarketing Agent nor the Auction Agent shall be responsible for the failure of any Broker-Dealer to submit an Order to the Auction Agent on behalf of any Existing Owner or Potential Owner.

(g) Notwithstanding Section 2.02(b)(iii), a Bid may be revoked or amended prior to the Submission Deadline.

Section 2.04. Determination of Auction Mode Rate. (a) Not later than 9:30 a.m., New York City time, on each Auction Date, the Auction Agent shall advise the Broker-Dealers and the Trustee by telephone of the All Hold Rate and the Reference Rate.

(b) Promptly after the Submission Deadline on each Auction Date, the Auction Agent shall assemble all Orders submitted or deemed submitted to it by the Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being hereinafter referred to as a "*Submitted Hold Order*," a "*Submitted Bid*" or a "*Submitted Sell Order*," as the case may be, and collectively as a "*Submitted Order*") and shall determine (i) the Available Bonds, (ii) whether there are Sufficient Clearing Bids and (iii) the Auction Rate.

(c) Promptly after the Auction Agent has made the determinations pursuant to subsection (b) of this Section 2.04, the Auction Agent shall advise the Trustee and the Company by telex, facsimile or other electronic transmission of the Auction Rate for the next succeeding Auction Period and the Trustee shall promptly notify DTC of such Auction Rate.

(d) In the event the Auction Agent fails to calculate or, for any reason, fails to timely provide the Auction Rate for any Auction Period, (i) if the preceding Auction Period was a period of 35 days or less, the new Auction Period shall be the same as the preceding Auction Period, and the Auction Mode Rate for the new Auction Period shall be the same as the Auction Mode Rate for the preceding Auction Period, and (ii) if the preceding Auction Period was a period of greater than 35 days, the new Auction Period will be a seven-day Auction Period and

the Auction Mode Rate for the new Auction Period will be the same as the Auction Mode Rate for the preceding Auction Period. In the event an Auction Period is extended as set forth in clause (i) or (ii) of the preceding sentence, an Auction shall be held on the last Business Day of the Auction Period as so extended to take effect for an Auction Period beginning on the Business Day immediately following the last day of the Auction Period as extended which Auction Period will end on the date it would otherwise have ended on had the prior Auction Period not been extended. Notwithstanding the foregoing, no Auction Mode Rate shall be extended for more than 35 days. If, at the end of 35 days, the Auction Agent fails to calculate or provide the Auction Mode Rate, the Auction Mode Rate shall be the Maximum Interest Rate.

(e) In the event the Auction Procedures are suspended as provided in Section 2.02(c)(iv) of this Appendix E, the Auction Rate for the period from the date of such suspension until the next succeeding regularly scheduled Auction Period shall be the Maximum Interest Rate.

(f) In the event of a failed conversion from a Auction Mode Rate Determination Method to another Determination Method or in the event of a failure to change the length of the current Auction Period due to the lack of Sufficient Clearing Bids at the Auction on the Auction Date for the first new Auction Period or a failure to deliver a required Favorable Opinion of Tax Counsel, (i) if the preceding Auction Period was a period of one year or less, the new Auction Period shall be seven days (or if the seventh day is not followed by a Business Day then the new Auction Period shall be extended to the next succeeding day which is followed by a Business Day), and the Auction Mode Rate for the new Auction Period shall be the same as the Auction Mode Rate for the preceding Auction Period, and (ii) if the preceding Auction Period was a period of greater than one year, the preceding Auction Period shall be extended to the seventh day following the day that would have been the last day of such Auction Period had it not been extended (or if such seventh day is not followed by a Business Day then to the next succeeding day which is followed by a Business Day) and the Auction Mode Rate in effect for the preceding Auction Period will continue in effect for the Auction Period as so extended. In the event an Auction Period is extended as set forth in clause (i) or (ii) of the preceding sentence, an Auction shall be held on the last Business Day of the Auction Period as so extended to take effect for an Auction Period beginning on the Business Day immediately following the last day of the Auction Period as extended, which new Auction Period will end on the date it would otherwise have ended on had the prior Auction Period not been extended. Notwithstanding the foregoing, no Auction Mode Rate shall be extended for more than 35 days. If, at the end of 35 days, the Auction Agent fails to calculate or provide the Auction Mode Rate, the Auction Mode Rate shall be the Maximum Interest Rate.

(g) If the Bonds are not rated, the interest rate for the next Auction Period shall be the Maximum Interest Rate. If the Bonds are no longer maintained in book entry only form by the Securities Depository, the Auction Mode Rate shall be the interest rate for the preceding Auction Period. In both cases, the Auction Period shall be a seven day Auction Period.

Section 2.05. Allocation of Bonds. (a) In the event of Sufficient Clearing Bids, subject to the further provisions of subsections (c) and (d) below, Submitted Orders shall be accepted or rejected as follows in the following order of priority:

(i) the Submitted Hold Order of each Existing Owner shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds that are the subject of such Submitted Hold Order;

(ii) the Submitted Sell Order of each Existing Owner shall be accepted, and the Submitted Bid of each Existing Owner specifying any rate that is higher than the Winning Bid Rate shall be rejected, thus requiring each such Existing Owner to sell the Bonds that are the subject of such Submitted Sell Order or Submitted Bid;

(iii) the Submitted Bid of each Existing Owner specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds that are the subject of such Submitted Bid;

(iv) the Submitted Bid of each Potential Owner specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Potential Owner to purchase the Bonds that are the subject of such Submitted Bid;

(v) the Submitted Bid of each Existing Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds that are the subject of such Submitted Bid, but only up to and including the principal amount of Bonds obtained by multiplying (A) the aggregate principal amount of Bonds outstanding which are not the subject of Submitted Hold Orders described in paragraph (i) of this subsection (a) or of Submitted Bids described in paragraphs (iii) and (iv) of this subsection (a) by (B) a fraction the numerator of which shall be the principal amount of Bonds outstanding held by such Existing Owner subject to such Submitted Bid and the denominator of which shall be the aggregate principal amount of Bonds outstanding subject to such Submitted Bids made by all such Existing Owners that specified a rate equal to the Winning Bid Rate, and the remainder, if any, of such Submitted Bid shall be rejected, thus requiring each such Existing Owner to sell any excess amount of Bonds;

(vi) the Submitted Bid of each Potential Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Potential Owner to purchase the Bonds that are the subject of such Submitted Bid, but only in an amount equal to the principal amount of Bonds obtained by multiplying (A) the aggregate principal amount of Bonds outstanding which are not the subject of Submitted Hold Orders described in paragraph (i) of this subsection (a) or of Submitted Bids described in paragraph (iii), (iv) or (v) of this subsection (a) by (B) a fraction the numerator of which shall be the principal amount of Bonds outstanding subject to such Submitted Bid and the denominator of which shall be the sum of the aggregate principal amount of Bonds outstanding subject to such Submitted Bids made by all such Potential Owners that specified a rate equal to the Winning Bid Rate, and the remainder of such Submitted Bid shall be rejected; and

(vii) the Submitted Bid of each Potential Owner specifying any rate that is higher than the Winning Bid Rate shall be rejected.

(b) In the event there are not Sufficient Clearing Bids, subject to the further provisions of subsections (c) and (d) below, Submitted Orders shall be accepted or rejected as follows in the following order of priority:

(i) the Submitted Hold Order of each Existing Owner shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds that are the subject of such Submitted Hold Order;

(ii) the Submitted Bid of each Existing Owner specifying any rate that is not higher than the Maximum Interest Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds that are the subject of such Submitted Bid;

(iii) the Submitted Bid of each Potential Owner specifying any rate that is not higher than the Maximum Interest Rate shall be accepted, thus requiring each such Potential Owner to purchase the Bonds that are the subject of such Submitted Bid;

(iv) the Submitted Sell Orders of each Existing Owner shall be accepted as Submitted Sell Orders and the Submitted Bids of each Existing Owner specifying any rate that is higher than the Maximum Interest Rate shall be deemed to be and shall be accepted as Submitted Sell Orders, in both cases only up to and including the principal amount of Bonds obtained by multiplying (A) the aggregate principal amount of Bonds subject to Submitted Bids described in paragraph (iii) of this subsection (b) by (B) a fraction the numerator of which shall be the principal amount of Bonds outstanding held by such Existing Owner subject to such Submitted Sell Order or such Submitted Bid deemed to be a Submitted Sell Order and the denominator of which shall be the principal amount of Bonds outstanding subject to all such Submitted Sell Orders and such Submitted Bids deemed to be Submitted Sell Orders, and the remainder of each such Submitted Sell Order or Submitted Bid shall be deemed to be and shall be accepted as a Hold Order and each such Existing Owner shall be required to continue to hold such excess amount of Bonds; and

(v) the Submitted Bid of each Potential Owner specifying any rate that is higher than the Maximum Interest Rate shall be rejected.

(c) If, as a result of the procedures described in subsection (a) or (b) of this Section 2.05, any Existing Owner or Potential Owner would be required to purchase or sell an aggregate principal amount of Bonds which is not an integral multiple of $25,000 on any Auction Date, the Auction Agent shall by lot, in such manner as it shall determine in its sole discretion, round up or down the principal amount of Bonds to be purchased or sold by any Existing Owner or Potential Owner on such Auction Date so that the aggregate principal amount of Bonds purchased or sold by each Existing Owner or Potential Owner on such Auction Date shall be an integral multiple of $25,000, even if such allocation results in one or more of such Existing Owners or Potential Owners not purchasing or selling any Bonds on such Auction Date.

(d) If, as a result of the procedures described in subsection (a) of this Section 2.05, any Potential Owner would be required to purchase less than $25,000 in principal amount of Bonds on any Auction Date, the Auction Agent shall by lot, in such manner as it shall determine in its sole discretion, allocate Bonds for purchase among Potential Owners so that the principal

amount of Bonds purchased on such Auction Date by any Potential Owner shall be an integral multiple of $25,000, even if such allocation results in one or more of such Potential Owners not purchasing Bonds on such Auction Date.

Section 2.06. Notice of Auction Rate. (a) On each Auction Date, the Auction Agent shall notify by telephone or other electronic means or in writing each Broker-Dealer that participated in the Auction held on such Auction Date and submitted an Order on behalf of any Existing Owner or Potential Owner of the following:

(i) the Auction Rate determined on such Auction Date for the succeeding Auction Period;

(ii) whether Sufficient Clearing Bids existed for the determination of the Winning Bid Rate;

(iii) if such Broker-Dealer submitted a Bid or a Sell Order on behalf of an Existing Owner, whether such Bid or Sell Order was accepted or rejected, in whole or in part, and the principal amount of Bonds, if any, to be sold by such Existing Owner;

(iv) if such Broker-Dealer submitted a Bid on behalf of a Potential Owner, whether such Bid was accepted or rejected, in whole or in part, and the principal amount of Bonds, if any, to be purchased by such Potential Owner;

(v) if the aggregate principal amount of the Bonds to be sold by all Existing Owners on whose behalf such Broker-Dealer submitted Bids or Sell Orders is different from the aggregate principal amount of Bonds to be purchased by all Potential Owners on whose behalf such Broker-Dealer submitted a Bid, the name or names of one or more Broker-Dealers (and the Agent Member, if any, of each such other Broker-Dealer) and the principal amount of Bonds to be (A) purchased from one or more Existing Owners on whose behalf such other Broker-Dealers submitted Bids or Sell Orders or (B) sold to one or more Potential Owners on whose behalf such Broker-Dealer submitted Bids; and

(vi) the immediately succeeding Auction Date.

(b) On each Auction Date, each Broker-Dealer that submitted an Order on behalf of any Existing Owner or Potential Owner shall:

(i) advise each Existing Owner and Potential Owner on whose behalf such Broker-Dealer submitted an Order as to (A) the Auction Rate determined on such Auction Date, (B) whether any Bid or Sell Order submitted on behalf of each such Owner was accepted or rejected and (C) the immediately succeeding Auction Date;

(ii) instruct each Potential Owner on whose behalf such Broker-Dealer submitted a Bid that was accepted, in whole or in part, to instruct such Potential Owner's Agent Member to pay to such Broker-Dealer (or its Agent Member) through the Securities Depository the amount necessary to purchase the principal amount of Bonds to be purchased pursuant to such Bid (including, with respect to the Bonds in a daily Auction Period, accrued interest if the purchase date is not an Interest Payment Date for such Bond) against receipt of such Bonds; and

(iii) instruct each Existing Owner on whose behalf such Broker-Dealer submitted a Sell Order that was accepted or a Bid that was rejected in whole or in part to instruct such Existing Owner's Agent Member to deliver to such Broker-Dealer (or its Agent Member) through the Securities Depository the principal amount of Bonds to be sold pursuant to such Bid or Sell Order against payment therefor.

Section 2.07. Reference Rate. (a) The Reference Rate on any Auction Date with respect to Bonds in any Auction Period of 35 days or less shall be the offered rate for deposits in U.S. dollars for a one-month period (LIBOR) which appears on the MoneyLine Telerate Page 3750 at approximately 11:00 A.M., London time, on such date, or if such date is not a date on which dealings in U.S. dollars are transacted in the London interbank market, then on the next preceding day on which such dealings were transacted in such market. The Reference Rate with respect to Bonds in any Auction Period of more than 35 days shall be the rate on Treasury securities having a maturity which most closely approximates the length of the Auction Period, as last published in *The Wall Street Journal.* If either rate is unavailable, the Reference Rate shall be an index or rate agreed to by all Broker-Dealers and consented to by the Company.

(b) If for any reason on any Auction Date the Reference Rate shall not be determined as hereinabove provided in this Section, the Reference Rate shall be the Reference Rate for the Auction Period ending on such Auction Date.

(c) The determination of the Reference Rate as provided herein shall be conclusive and binding upon the Authority, the Company, the Trustee, the Remarketing Agent, the Broker-Dealers, the Auction Agent and the Owners and Beneficial Owners of the Bonds.

Section 2.08. Miscellaneous Provisions Regarding Auctions. (a) In this Appendix E, each reference to the purchase, sale or holding of Bonds shall refer to beneficial interests in Bonds, unless the context clearly requires otherwise.

(b) During an Auction Rate Period, the provisions of the Agreement concerning the Auction Procedures and the definitions contained therein and described in this Appendix E, including without limitation the definitions of All Hold Rate, Interest Payment Date, Reference Rate and Auction Mode Rate, may be amended pursuant to the Agreement by obtaining the consent of the Bond Insurer and the owners of all Bonds bearing interest at a Auction Mode Rate, as follows. If, on the first Auction Date occurring at least 20 days after the date on which the Trustee mailed notice of such proposed amendment to the registered owners of the Bonds as required by the Agreement, (i) the Auction Mode Rate which is determined on such date is the Winning Bid Rate and (ii) there is delivered to the Company and the Trustee an Opinion of Tax Counsel to the effect that such amendment shall not adversely affect the validity of the Bonds or any exemption from federal income tax to which the interest on the Bonds would otherwise be entitled, the proposed amendment shall be deemed to have been consented to by the owners of all affected Bonds affected by such amendment.

(c) During an Auction Rate Period, so long as the ownership of the Bonds is maintained in book-entry form by the Securities Depository, an Existing Owner or a beneficial owner may sell, transfer or otherwise dispose of a Bond only pursuant to a Bid or Sell Order in accordance with the Auction Procedures or to or through a Broker-Dealer, provided that (i) in the

case of all transfers other than pursuant to Auctions, such Existing Owner or its Broker-Dealer or its Agent Member advises the Auction Agent of such transfer and (ii) a sale, transfer or other disposition of Bonds from a customer of a Broker-Dealer who is listed on the records of that Broker-Dealer as the Existing Owner of such Bonds to that Broker-Dealer or another customer of that Broker Dealer shall not be deemed to be a sale, transfer or other disposition for purposes of this Section 2.08 if such Broker-Dealer remains the Existing Owner of the Bonds so sold, transferred or disposed of immediately after such sale, transfer or disposition.

Section 2.09. Changes in Auction Period or Auction Date. (a) Changes in Auction Period.

(i) During any Auction Rate Period, the Company, may, from time to time on any Interest Payment Date, change the length of the Auction Period with respect to all of the Bonds in order to accommodate economic and financial factors that may affect or be relevant to the length of the Auction Period and the interest rate borne by such Bonds. The Company shall initiate the change in the length of the Auction Period by giving seven days' prior written notice to the Trustee, the Auction Agent, the Authority, the Broker-Dealers and the Securities Depository. If the change is from an Auction Period of one year or less to an Auction Period longer than one year, or vice versa, the Company shall also provide the Trustee with a Favorable Opinion of Tax Counsel as to such change in the Auction Period.

(ii) The change in the length of the Auction Period shall not be effective unless Sufficient Clearing Bids existed at both the Auction before the date on which the notice of the proposed change was given as provided in this subsection (a) and the Auction immediately preceding the proposed change.

(iii) The change in length of the Auction Period shall take effect only if (A) Sufficient Clearing Bids exist at the Auction on the Auction Date for such first Auction Period and (B) if the Favorable Opinion of Tax Counsel as to such change in the Auction Period, if required, is confirmed on the effective date of such change. For purposes of the Auction for such first Auction Period only, each Existing Owner shall be deemed to have submitted Sell Orders with respect to all of its Bonds except to the extent such Existing Owner submits an Order with respect to such Bonds. If the conditions referred to in the first sentence of this paragraph (iii) are not met, the Trustee shall notify the Auction Agent and then (C) if the preceding Auction Period was a period of one year or less, the new Auction Period shall be seven days (or if the seventh day is not followed by a Business Day then the new Auction Period shall be extended to the succeeding day which is followed by a Business Day), and the Auction Mode Rate for the new Auction Period shall be the same as the Auction Mode Rate for the preceding Auction Period, and (D) if the preceding Auction Period was a period of greater than one year, the preceding Auction Period shall be extended to the seventh day following the day that would have been the last day of such Auction Period had it not been extended (or if such seventh day is not followed by a Business Day, then the Auction Period shall be extended to the next succeeding day which is followed by a Business Day) and the Auction Mode Rate in effect for the preceding Auction Period will continue in effect for the Auction Period as so extended. In the event an Auction Period is extended as set forth in clause (C) or (D) of the preceding sentence, an Auction shall be held on the last Business Day of the Auction Period as so extended to take effect for an Auction Period beginning on the Business Day immediately following the last day of the Auction Period

as extended, which new Auction Period will end on the date it would otherwise have ended on had the prior Auction Period not been extended. Notwithstanding the foregoing, no Auction Mode Rate shall be extended for more than 35 days. If, at the end of 35 days, the Auction Agent fails to calculate or provide the Auction Mode Rate, the Auction Mode Rate shall be the Maximum Interest Rate.

(iv) On the conversion date of the Bonds selected for conversion from one Auction Period to another, any Bonds which are not the subject of a specific Hold Order or Bid will be deemed to be subject to a Sell Order.

(b) Changes in Auction Date. During any Auction Rate Period, the Auction Agent, at the written direction of the Company, shall specify an earlier Auction Date (but in no event more than five Business Days earlier) than the Auction Date that would otherwise be determined in accordance with the definition of "Auction Date" in order to conform with then current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the day of the week constituting an Auction Date and the interest rate borne on the Bonds. The Company shall provide notice of its determination to specify an earlier Auction Date for an Auction Period by means of a written notice delivered at least 45 days prior to the proposed changed Auction Date to the Trustee, the Authority, the Auction Agent, the Broker-Dealers and the Securities Depository.

ARTICLE III

AUCTION AGENT

Section 3.01. Auction Agent. (a) The Auction Agent shall be appointed by the Company to perform the functions specified herein. The Auction Agent shall designate its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument, delivered to the Company, the Trustee, the Authority and each Broker-Dealer which shall set forth such procedural and other matters relating to the implementation of the Auction Procedures as shall be satisfactory to the Company and the Trustee.

(b) Subject to any applicable governmental restrictions, the Auction Agent may be or become the owner of or trade in Bonds with the same rights as if such entity were not the Auction Agent.

Section 3.02. Qualifications of Auction Agent; Resignation; Removal.

The Auction Agent shall be (a) a bank or trust company organized under the laws of the United States or any state or territory thereof having a combined capital stock, surplus and undivided profits of at least $30,000,000 or (b) a member of NASD having a capitalization of at least $30,000,000 and, in either case, authorized by law to perform all the duties and obligations imposed upon it by the Agreement and a member of or a participant in the Securities Depository. The Auction Agent may at any time resign and be discharged of the duties and obligations created by the Agreement by giving at least 90 days notice to the Company, the Authority and the Trustee. The Auction Agent may be removed at any time by the Company by written notice, delivered to the Auction Agent, the Authority and the Trustee. Upon any such resignation or

removal, the Company shall appoint a successor Auction Agent meeting the requirements of this section. In the event of the resignation or removal of the Auction Agent, the Auction Agent shall pay over, assign and deliver any moneys and Bonds held by it in such capacity to its successor. The Auction Agent shall continue to perform its duties hereunder until its successor has been appointed by the Company. In the event that the Auction Agent has not been compensated for its services, the Auction Agent may resign by giving forty-five (45) days notice to the Company, the Authority and the Trustee even if a successor Auction Agent has not been appointed.

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Ambac

Financial Guaranty Insurance Policy

Ambac Assurance Corporation
One State Street Plaza, 15th Floor
New York, New York 10004
Telephone: (212) 668-0340

Obligor:

Policy Number:

Obligations:

Premium:

Ambac Assurance Corporation (Ambac), a Wisconsin stock insurance corporation, in consideration of the payment of the premium and subject to the terms of this Policy, hereby agrees to pay to The Bank of New York, as trustee, or its successor (the "Insurance Trustee"), for the benefit of the Holders, that portion of the principal of and interest on the above-described obligations (the "Obligations") which shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Obligor.

Ambac will make such payments to the Insurance Trustee within one (1) business day following written notification to Ambac of Nonpayment. Upon a Holder's presentation and surrender to the Insurance Trustee of such unpaid Obligations or related coupons, uncanceled and in bearer form and free of any adverse claim, the Insurance Trustee will disburse to the Holder the amount of principal and interest which is then Due for Payment but is unpaid. Upon such disbursement, Ambac shall become the owner of the surrendered Obligations and/or coupons and shall be fully subrogated to all of the Holder's rights to payment thereon.

In cases where the Obligations are issued in registered form, the Insurance Trustee shall disburse principal to a Holder only upon presentation and surrender to the Insurance Trustee of the unpaid Obligation, uncanceled and free of any adverse claim, together with an instrument of assignment, in form satisfactory to Ambac and the Insurance Trustee, duly executed by the Holder or such Holder's duly authorized representative, so as to permit ownership of such Obligation to be registered in the name of Ambac or its nominee. The Insurance Trustee shall disburse interest to a Holder of a registered Obligation only upon presentation to the Insurance Trustee of proof that the claimant is the person entitled to the payment of interest on the Obligation and delivery to the Insurance Trustee of an instrument of assignment, in form satisfactory to Ambac and the Insurance Trustee, duly executed by the Holder or such Holder's duly authorized representative, transferring to Ambac all rights under such Obligation to receive the interest in respect of which the insurance disbursement was made. Ambac shall be subrogated to all of the Holders' rights to payment on registered Obligations to the extent of any insurance disbursements so made.

In the event that a trustee or paying agent for the Obligations has notice that any payment of principal of or interest on an Obligation which has become Due for Payment and which is made to a Holder by or on behalf of the Obligor has been deemed a preferential transfer and theretofore recovered from the Holder pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court of competent jurisdiction, such Holder will be entitled to payment from Ambac to the extent of such recovery if sufficient funds are not otherwise available.

As used herein, the term "Holder" means any person other than (i) the Obligor or (ii) any person whose obligations constitute the underlying security or source of payment for the Obligations who, at the time of Nonpayment, is the owner of an Obligation or of a coupon relating to an Obligation. As used herein, "Due for Payment", when referring to the principal of Obligations, is when the scheduled maturity date or mandatory redemption date for the application of a required sinking fund installment has been reached and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by application of required sinking fund installments), acceleration or other advancement of maturity; and, when referring to interest on the Obligations, is when the scheduled date for payment of interest has been reached. As used herein, "Nonpayment" means the failure of the Obligor to have provided sufficient funds to the trustee or paying agent for payment in full of all principal of and interest on the Obligations which are Due for Payment.

This Policy is noncancelable. The premium on this Policy is not refundable for any reason, including payment of the Obligations prior to maturity. This Policy does not insure against loss of any prepayment or other acceleration payment which at any time may become due in respect of any Obligation, other than at the sole option of Ambac, nor against any risk other than Nonpayment.

In witness whereof, Ambac has caused this Policy to be affixed with a facsimile of its corporate seal and to be signed by its duly authorized officers in facsimile to become effective as its original seal and signatures and binding upon Ambac by virtue of the countersignature of its duly authorized representative.

President

Secretary

Effective Date:

Authorized Representative

THE BANK OF NEW YORK acknowledges that it has agreed to perform the duties of Insurance Trustee under this Policy.

Authorized Officer of Insurance Trustee

Form No.: 2B-0012 (1/01)

Ambac

Ambac Assurance Corporation
One State Street Plaza,
New York, New York 10004
Telephone: (212) 668-0340

Endorsement

Policy for:

Attached to and forming part of Policy No.:

Effective Date of Endorsement:

The insurance provided by this Policy is not covered by the Florida Insurance Guaranty Association.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the above mentioned Policy other than as above stated.

In Witness Whereof, Ambac has caused this Endorsement to be affixed with a facsimile of its corporate seal and to be signed by its duly authorized officers in facsimile to become effective as its original seal and signatures and binding upon Ambac by virtue of the countersignature of its duly authorized representative.

Ambac Assurance Corporation

President

Secretary

Authorized Representative

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REMARKETING – NOT A NEW ISSUE

On the date of original issuance of the Bonds, Edwards Angell Palmer & Dodge LLP, Bond Counsel, delivered an opinion, based upon an analysis of then-existing law and assuming, among other matters, compliance with certain covenants, to the effect that interest on the Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1954, as amended, and Title XIII of the Tax Reform Act of 1986, except that no opinion is expressed as to the status of interest on any Bond for any period that such Bond is held by a "substantial user" of the facilities financed or refinanced by the Bonds or by a "related person" within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended. Such opinion stated that (i) interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income, and (ii) the Bonds and the interest thereon are exempt from taxation under the existing laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, banks and savings associations. In the opinion of Bond Counsel, the Conversion of the Bonds on the Conversion Date will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes. Bond Counsel expressed and expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See "TAX EXEMPTION" herein.

$105,800,000
HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
(Florida)
Pollution Control Revenue Refunding Bonds
(Tampa Electric Company Project)
$54,200,000 Series 2007A (Non-AMT)
$51,600,000 Series 2007B (Non-AMT)

Due: Series 2007A Bonds – May 15, 2018
Series 2007B Bonds – September 1, 2025

The Series 2007A Bonds and Series 2007B Bonds (collectively, the "Bonds") are limited obligations of the Hillsborough County Industrial Development Authority (the "Authority") and are payable solely from the payments to be made under a Loan and Trust Agreement, as amended (the "Agreement") among

TAMPA ELECTRIC COMPANY

(the "Company"), the Authority and The Bank of New York Trust Company, N.A., as Trustee.

The Bonds are being remarketed only as fully registered bonds without coupons, and will be registered in the name of CEDE & Co., as Bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the Bonds will be made in book-entry-only form and, while bearing interest at a Long-Term Interest Rate, will be made in the denomination of $100,000 or integral multiples of $5,000 in excess thereof. Purchasers of beneficial interests will not receive certificates representing their interests in the Bonds. So long as CEDE & Co. is the Bondholder, as nominee of DTC, references herein to the Bondholders or registered owners shall mean CEDE & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. See "THE SERIES 2007 BONDS—Book-Entry Only System" herein.

Principal and Redemption Price of and interest on the Bonds will be paid directly to DTC by The Bank of New York Trust Company, N.A., as Trustee (the "Bond Trustee"), so long as DTC or its nominee, CEDE & Co., is the Bondholder. Disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participants, as more fully described herein.

The Series 2007A Bonds will be remarketed on March 26, 2008 (the "Conversion Date") in a Long-Term Interest Rate Period from the Conversion Date to May 15, 2018 (the "2007A Long-Term Interest Rate Period"). During the 2007A Long-Term Interest Rate Period, the Series 2007A Bonds will bear interest at a Long-Term Interest Rate of 5.65% payable semi-annually on March 1 and September 1 of each year and on May 15, 2018. The Series 2007A Bonds mature at the end of the 2007A Long-Term Interest Rate Period. The Series 2007B Bonds will be remarketed on the Conversion Date in a Long-Term Interest Rate Period from the Conversion Date to September 1, 2013 (the "2007B Initial Long-Term Interest Rate Period"). During the 2007B Initial Long-Term Interest Rate Period, the Series 2007B Bonds will bear interest at a Long-Term Interest Rate of 5.15% payable semi-annually on March 1 and September 1 of each year. The Series 2007B Bonds are subject to mandatory tender on September 1, 2013. **The Bonds are not supported by a liquidity facility. The only sources for the purchase of Series 2007B Bonds tendered at the end of the 2007B Initial Long-Term Interest Rate Period will be proceeds of remarketing of the Series 2007B Bonds and monies furnished by the Company for such purchase. If the Series 2007B Bonds are not purchased at the end of the 2007B Initial Long-Term Interest Rate Period, they shall bear interest from the end of the 2007B Initial Long-Term Interest Rate Period until purchased at a rate of 14% per annum.**

Subsequent to the 2007B Initial Long-Term Interest Rate Period, the Series 2007B Bonds may be converted to bear interest at a Daily Rate, Commercial Paper Rate, Auction Rate, Weekly Rate or a Long-Term Interest Rate, as determined in accordance with the Agreement. The Series 2007A Bonds are not subject to conversion.

The Bonds are subject to extraordinary optional redemption and special mandatory redemption prior to maturity as described herein. The Series 2007 B Bonds are subject to optional redemption prior to maturity as described herein. The Series 2007B Bonds are also subject to mandatory tender at the end of the 2007B Initial Long-Term Interest Rate Period, as described above, and upon any subsequent change in the Determination Method, as more fully described herein. The Series 2007A Bonds are not subject to mandatory tender. See "THE BONDS" herein.

PRICE: 100%

THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY. THE BONDS WILL NOT CONSTITUTE A DEBT OF THE AUTHORITY, HILLSBOROUGH COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF UNDER ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER AND SHALL NEVER CONSTITUTE A CHARGE OR PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF SUCH ENTITIES. THE AUTHORITY HAS NO TAXING POWER.

The Bonds are remarketed by the Remarketing Agents subject to terms and conditions of a Remarketing Agreement among the Company and the Remarketing Agents. The remarketed Bonds are expected to be delivered to purchasers through DTC on March 26, 2008.

2007A BONDS		2007B BONDS	
SUNTRUST ROBINSON HUMPHREY	**JPMORGAN**	**UBS INVESTMENT BANK**	**CITI**

Dated: March 19, 2008

No dealer, broker, salesperson or other person has been authorized by the Authority, the Company or the Remarketing Agents to give information or to make representations with respect to the Bonds, other than those contained in this Remarketing Circular, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Remarketing Circular does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not authorized, or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation. Certain information contained herein has been obtained from the Company, The Depository Trust Company and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation of the Authority. This Remarketing Circular is submitted in connection with the sale of securities referred to herein and may not be used, in whole or in part, for any other purpose. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Remarketing Circular nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof.

The Remarketing Agents have provided the following sentence for inclusion in this Remarketing Circular. The Remarketing Agents have reviewed the information in this Remarketing Circular in accordance with, and as part of, their responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Remarketing Agents do not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE REMARKETING AGENTS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE SECURITIES OFFERED HEREBY AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

The Bonds will not be registered under the Securities Act of 1933, as amended, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission ("SEC") nor any other federal, state, municipal or other government entity or agency will have passed upon the adequacy of this Remarketing Circular or, except for the Authority to the extent described herein, approved the Bonds for sale.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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REMARKETING CIRCULAR

HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
(Florida)
$105,800,000
POLLUTION CONTROL REVENUE REFUNDING BONDS
(Tampa Electric Company Project)
$54,200,000 Series 2007A
$51,600,000 Series 2007B
(Non-AMT)

INTRODUCTORY STATEMENT

This Remarketing Circular sets forth certain information with respect to $105,800,000 aggregate principal amount of the Authority's Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project), Series 2007, comprising $54,200,000 Series 2007A (Non-AMT) (the "Series 2007A Bonds") and $51,600,000 Series 2007B (Non-AMT) (the "Series 2007B Bonds" and collectively with the Series 2007A Bonds, the "Bonds").

The Bonds were originally issued pursuant to a Loan and Trust Agreement, dated as of July 2, 2007, which is being amended by a First Supplemental Loan and Trust Agreement, dated as of March 26, 2008 (as amended, the "Agreement") among the Authority, Tampa Electric Company (the "Company"), and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"). Pursuant to the Agreement, the proceeds of the Bonds were loaned to the Company and used for the purposes set forth herein. See "THE PROJECT" herein.

The Bonds are limited obligations of the Authority, secured solely by a pledge and assignment by the Authority to the Trustee of certain of the Authority's rights under the Agreement, including its right to payments from the Company in amounts sufficient to pay the principal of and premium, if any, and interest on the Bonds.

The Bonds will not be deemed to constitute a debt, liability or obligation of any authority or county, or the State of Florida or any political subdivision thereof, including, without limitation, the Authority or Hillsborough County, Florida. The Authority has no taxing power.

Upon the original issuance and delivery of the Bonds, the Bonds bore interest in the ARS Rate Period at an Auction Period Rate. The method of determining interest rates on the Bonds will be converted to the Long-Term Interest Rate method. Each of the Series 2007A Bonds and the Series 2007B Bonds will thus bear interest at a long-term interest rate on the Conversion Date specified on the cover page hereof for the 2007A Long-Term Interest Rate Period and the 2007B Initial Long-Term Interest Rate Period, respectively. The Series 2007A Bonds mature at the end of the 2007A Long-Term Interest Rate Period. Following the 2007B Initial Long-Term Interest Rate Period, the Series 2007B Bonds will be subject to mandatory tender at which time the interest rate on the Series 2007B Bonds may be converted to a Daily Rate, Auction Rate, Commercial Paper Rate, Weekly Rate or another Long-Term Interest Rate determined in accordance with the applicable terms of the Agreement.

THE AUTHORITY

The Authority is a public body corporate and politic and a public instrumentality created pursuant to the laws of the State of Florida. The Authority was created under the constitution of the State of Florida and Part III of Chapter 159, Florida Statutes, as amended, a Resolution of the Board of County Commissioners of Hillsborough County, Florida adopted October 29, 1971, as amended and supplemented, and other provisions of law (collectively, the "Act"). Under the Act, the Authority is authorized to issue its revenue bonds or other debt obligations for the purpose of financing and refinancing projects for public purposes and for the purpose of fostering the economic development of Hillsborough County, Florida.

THE PROJECT

The Bonds were originally issued to refund the previously issued bonds that had been issued to finance and refinance a portion of the cost of certain of the Company's air and water pollution and solid waste disposal facilities of the Project Units as more fully described in the Agreement (collectively, the "Project") located at Unit Nos. 1, 2, 3 and 4 of the Big Bend Station and Unit Nos. 1, 2, 3 and 4 of the F.J. Gannon Station (now known as the H.L. Culbreath Bayside Station) electric generating facilities of the Company in Hillsborough County (collectively, the "Project Units").

USE OF PROCEEDS

The proceeds of the offering of the Bonds pursuant to this Remarketing Circular will be applied on the Conversion Date to purchase the outstanding Bonds, currently bearing interest at an Auction Period Rate, in lieu of redemption. No proceeds of the Bonds will be paid to the Authority.

SECURITY FOR THE BONDS

The Bonds will be limited obligations of the Authority payable solely from the funds payable by the Company under the Agreement. In the Agreement, the Company has agreed to make payments on the dates, in the amounts and in the manner necessary to pay the principal of and premium, if any, and interest on the Bonds when and as the same shall become due. The Authority has pledged and assigned to the Trustee, as security for the payment of the principal of and premium, if any, and interest on the Bonds, its rights under the Agreement, including its rights to the funds payable by the Company under the Agreement, except its rights to payment of certain costs and expenses and to indemnification.

Although the Company has not elected to do so, it may in the future elect to provide additional credit enhancement for any series of Bonds which may include a series of First Mortgage Bonds (the "First Mortgage Bonds") under its Indenture of Mortgage, dated as of August 1, 1946 (the "First Mortgage"), in such amounts and maturities and bearing such rates of interest as shall coincide with the principal and interest becoming due on such series of Bonds, all as further described in Appendix B – "SUMMARY OF THE LOAN AND TRUST AGREEMENT - Pledge of First Mortgage Bonds."

The Bonds, together with interest and premium, if any, thereon, will not be deemed to constitute a debt, liability or obligation of any authority or county of the State of Florida or any political subdivision thereof, including, without limitation, the Authority and Hillsborough County, Florida. Neither any authority or county nor the State of Florida or any political subdivision thereof, including, without limitation, the Authority and Hillsborough County, Florida, is obligated to pay the principal of the Bonds or the interest or premium, if any, thereon, except from the funds payable by the Company under the Agreement, and neither the general faith and credit nor the taxing power of any authority or county of the State of Florida or any political subdivision thereof, including, without limitation, the Authority or Hillsborough County, Florida, is pledged for the payment of the principal of, premium, if any, or interest on the Bonds. The Authority has no taxing power.

THE BONDS

This Remarketing Circular does not provide any information regarding the Series 2007B Bonds after the date, if any, on which the Series 2007B Bonds convert to bear interest, as permitted by the Agreement, at an interest rate other than a Long-Term Interest Rate. Series 2007B Bonds are subject to mandatory tender in the event of any such conversion and the 2007B Bonds are subject to mandatory tender at end of the 2007B Initial Long-Term Interest Rate Period. The Series 2007A Bonds mature at the end of the 2007A Long-Term Interest Rate Period. See "Mandatory Tender for Purchase."

Long-Term Interest Rate Periods

The Series 2007A Bonds will be remarketed in the aggregate principal amount of $54,200,000 and shall bear interest at a Long-Term Interest Rate from March 26, 2008 until maturity on May 15, 2018 (the "2007A Long-

Term Interest Rate Period") at 5.65% per annum. Interest on the Series 2007A Bonds will be payable semi-annually on March 1 and September 1 of each year, commencing September 1, 2008, and on May 15, 2018. Interest will be calculated on the basis of a 360-day year of twelve 30-day months. The Series 2007A Bonds mature at the end of the 2007 Long-Term Interest Rate Period, on May 15, 2018. The Series 2007A Bonds are not subject to tender, conversion or remarketing.

The Series 2007B Bonds will be remarketed in the aggregate principal amount of $51,600,000 and shall bear interest at a Long-Term Interest Rate from March 26, 2008 to September 1, 2013 (the "2007B Initial Long-Term Interest Rate Period") at 5.15% per annum. Interest on the Series 2007B Bonds will be payable semi-annually on March 1 and September 1 of each year, commencing September 1, 2008. Interest will be calculated on the basis of a 360-day year of twelve 30-day months. The Series 2007B Bonds will mature on September 1, 2025. Following the 2007B Initial Long-Term Interest Rate Period, the interest rate on the Series 2007B Bonds may be converted to a Daily Rate, Auction Period Rate, Commercial Paper Rate, Weekly Rate or another Long-Term Interest Rate of the same or a different length in accordance with the Agreement.

The Series 2007B Bonds shall be subject to a mandatory tender on September 1, 2013, at the end of the 2007B Initial Long-Term Interest Rate Period at a purchase price equal to 100% of the principal amount thereof plus accrued interest thereon (the "2007B Purchase Price").

While the Series 2007B Bonds are in the 2007B Initial Long-Term Interest Rate Period, the Series 2007B Bonds will not be subject to tender, conversion or remarketing.

At the end of the 2007B Initial Long-Term Interest Rate Period, the Series 2007B Bonds shall be subject to mandatory tender for purchase at the 2007B Purchase Price. The 2007B Purchase Price may be funded from proceeds of a remarketing of the Series 2007B Bonds or, if the Company shall elect (but is under no obligation to elect), from funds of the Company made available for such purchase. In the event the Series 2007B Bonds are not purchased at the end of the 2007B Initial Long-Term Interest Rate Period, the Series 2007B Bonds (i) shall be returned to their holders and remain outstanding, (ii) shall bear interest at 14% per annum from the last day of the 2007B Initial Long-Term Interest Rate Period until so purchased and (iii) shall be purchased upon the availability of remarketing proceeds to purchase such Series 2007B Bonds. In such event the 2007B Purchase Price shall not be considered due and payable so that no Event of Default shall be deemed to have occurred. The Company has agreed that before the end of the 2007B Initial Long-Term Interest Rate Period the Company will appoint a remarketing agent meeting the requirements set forth in the Agreement to use its best efforts to cause the Series 2007B Bonds to be remarketed (in such Determination Method or Methods) on the last day of the Series 2007B Initial Long-Term Interest Rate Period or the first date thereafter on which all the Series 2007B Bonds can be sold at par, at a rate not exceeding the Maximum Rate, to provide funds to honor such mandatory tender.

The Bonds are not supported by a liquidity facility. The only sources for the purchase of the 2007B Bonds tendered at the end of the 2007B Initial Long-Term Interest Rate Period will be proceeds of remarketing of the Series 2007B Bonds and, if the Company shall elect (but is under no obligation to elect), funds furnished by the Company for such purchase. The Series 2007A Bonds mature at the end of the 2007A Long-Term Interest Rate Period.

Mandatory Tender

The Series 2007A Bonds are not subject to mandatory tender.

So long as the Series 2007B Bonds are subject to subsequent Long-Term Interest Rate Periods, they shall be subject to mandatory tender at the end of each such Long-Term Interest Rate Period as described herein.

Notice of Tender of Series 2007B Bonds

At least 30 days before each mandatory tender of the Series 2007B Bonds in a Long-Term Interest Rate Period, the Trustee will mail a notice of tender by first-class mail to each Bondholder at such holder's registered address. Failure to give any required notice of tender as to any particular Series 2007B Bonds, or any defect therein, will not affect the validity of the tender of any Series 2007B Bonds in respect of which no failure or defect occurs.

Any notice mailed as provided in this paragraph shall be effective when sent and will be conclusively presumed to have been given whether or not actually received by the addressee.

Purchase of Tendered Series 2007B Bonds

On each date when the Series 2007B Bonds are subject to mandatory tender and purchase pursuant to the Agreement, there will be purchased (but solely from funds received by the Trustee in accordance with the Agreement) the Series 2007B Bonds (or portions thereof) tendered (or deemed tendered) to the Trustee for purchase in accordance with, and at the purchase price established under, the Agreement. Funds to pay the purchase price of such Series 2007B Bonds (or portions thereof) will be paid by the Trustee solely from the following sources and in the following order of priority:

(i) proceeds of the remarketing of such Series 2007B Bonds to persons other than the Company, the affiliates of the Company and the Authority and furnished immediately to the Trustee by the remarketing agent and deposited directly into and held continuously in, the Remarketing Proceeds Account; and

(ii) any other monies furnished by the Company or otherwise available for the payment of the purchase price and proceeds from the investment thereof.

Undelivered Series 2007B Bonds

If a Series 2007B Bond is tendered for purchase in accordance with the Agreement and funds are deposited with the Trustee sufficient for the purchase, the Trustee upon request of the Company or the remarketing agent will authenticate a new Series 2007B Bond in the same maturity and in the same denomination registered as the Company or the remarketing agent may direct and deliver it to the Company or upon the Company's order, whether or not the Series 2007B Bond purchased is ever delivered, and the undelivered Series 2007B Bonds shall be canceled on the books of the Trustee, whether or not said undelivered Series 2007B Bonds have been delivered to the Trustee. From and after the purchase date, interest on such Series 2007B Bond shall cease to be payable to the prior holder thereof, such holder shall cease to be entitled to the benefits or security of the Agreement and shall have recourse solely to the funds held by the Trustee for the purchase of such Series 2007B Bond, and the Trustee shall not register any further transfer of such Series 2007B Bond by such prior holder. If Series 2007B Bonds to be purchased are not delivered by the holders by 12:00 noon, New York City time, on any purchase date, the Trustee shall hold any funds received for the purchase of those Series 2007B Bonds in trust in a separate account and shall pay such funds to the former owners of the Series 2007B Bonds upon presentation of the Series 2007B Bonds. All funds held by the Trustee for the purchase of undelivered Series 2007B Bonds shall be held uninvested.

Redemption

Optional Redemption. The Series 2007A Bonds are not subject to optional redemption prior to maturity.

The Series 2007B Bonds are not subject to optional redemption during the 2007B Initial Long-Term Interest Rate Period. During any subsequent Long-Term Interest Rate Period, if the Long-Term Interest Rate Period is less than or equal to five years, the Series 2007B Bonds will not be subject to optional redemption during such Long-Term Interest Rate Period.

If a subsequent Long-Term Interest Rate Period is greater than five years, the Series 2007B Bonds will not be redeemable for five years after the date on which the Series 2007B Bonds begin to bear interest at the Long-Term Interest Rate. After the applicable no call period, the Series 2007B Bonds may be redeemed at any time in whole or in part at 100% of their principal amount plus accrued interest, if any.

As an alternative to and in lieu of the foregoing redemption provisions, if, with respect to any Long-Term Interest Rate Period after the 2007B Initial Long-Term Interest Rate Period, a Favorable Opinion of Tax Counsel is delivered to the Trustee not later than the date of the establishment of such Long-Term Interest Rate Period, the Series 2007B Bonds may be redeemed during such Long-Term Interest Rate Period at the option of the Company in whole or in part at any time after a no-call period, if any, established by the remarketing agent appointed by the

Company at such time, at the percentages of their principal amount, plus accrued interest, as follows: such remarketing agent shall, given the duration of the Long-Term Interest Rate Period, determine and inform the Trustee and the Company, on a date which is no later than the establishment of the Long-Term Interest Rate, the periods during which the Series 2007B Bonds shall not be subject to redemption (the "Call Protection Period"), the premium or premiums payable upon redemption (the "Call Premiums"), if any, applicable to the redemption of Series 2007B Bonds after the Call Protection Period, and the period or periods during which the Call Premiums shall be effective (the "Call Premium Periods") necessary to establish the Long-Term Interest Rate. Such Call Protection Period, Call Premiums and Call Premium Periods shall be established in accordance with optional call redemption provisions which, in the judgment of such remarketing agent, are generally accepted at the time of determination as the standard features for obligations such as the Series 2007B Bonds, given the length of the Long-Term Interest Rate Period.

Extraordinary Optional Redemption. The Bonds are subject to extraordinary optional redemption prior to maturity at the option of the Company, by notice to the Trustee and the Authority, in whole, at any time, at a redemption price equal to the principal amount of the outstanding Bonds, plus accrued interest thereon to the date of redemption, without premium, on any date selected by the Company, but not less than 45 days after nor more than 180 days after the Company shall have given notice of its exercise of the right to make such prepayment. The Company may exercise its right to cause the Bonds to be redeemed at its option, if:

(i) In the opinion of the Company, the continued operation by the Company of all or substantially all of the Project Units (as defined in the Agreement) is impracticable, uneconomical or undesirable due to (A) the imposition of taxes or other liabilities or burdens not being imposed as of the date of the Bonds, (B) changes in technology or in the economic availability of raw materials or operating supplies or equipment or (C) destruction of or damage to all or a substantial portion of such Project Units; *provided, however,* that the Company may not exercise its right to redeem the Bonds for reasons described in this clause (1) if any portion of the redemption price is to be paid from the proceeds of tax-exempt bonds;

(ii) All or substantially all of the Project Units shall have been condemned or taken by eminent domain;

(iii) The operation by the Company of all or substantially all of the Project Units shall have been enjoined and the Company shall have been prevented from carrying on normal operations at such Project Units for a period of six months or more; or

(iv) In the event the First Mortgage Bonds (as defined in the Agreement) have been issued, all or substantially all the mortgaged and pledged property constituting bondable property (as defined in the First Mortgage) which at the time shall be subject to the lien of the First Mortgage as a first lien shall be released from the lien of the First Mortgage pursuant to the provisions thereof, and available moneys in the hands of the trustee or trustees at the time serving as such under the First Mortgage, including any moneys deposited by the Company available for the purpose, are sufficient to redeem all the first mortgage bonds of all series issued pursuant to the First Mortgage at the redemption prices (together with accrued interest to the date of redemption) specified therein applicable to the redemption thereof upon the happening of such event.

Special Mandatory Redemption Upon Taxability. The Bonds are subject to special mandatory redemption prior to maturity at any time, as a whole or in part (and if in part, by lot or other customary means) if such partial redemption will preserve the exclusion of interest on the remaining Bonds outstanding from gross income for federal income tax purposes at a redemption price equal to the principal amount thereof, plus interest accrued to the redemption date, without premium, in the event that the interest payable on any Bond has become subject to federal income tax in accordance with the Agreement. Any such redemption shall be made not later than 180 days from the date of such determination.

Notice of Redemption. Whenever Bonds are to be redeemed, the Trustee shall give notice of redemption by mailing a copy of the redemption notice to the registered owner of each Bond to be redeemed, at least 30 days prior to the redemption date, as provided in the Agreement. Unless funds sufficient to pay the redemption price have been

received by the Trustee prior to the giving of notice of redemption, the notice may state that such redemption is conditional upon receipt of such moneys.

Selection of Bonds for Redemption. If less than all of the Bonds are to be redeemed, the portion of the Bonds to be redeemed will be selected by the Trustee by lot or in any customary manner of selection as determined by the Trustee; provided, however, that so long as DTC or its nominee is the Bondholder with respect to such Bonds, the particular portions of the Bonds to be redeemed shall be selected by DTC in such manner as DTC may determine.

During the period that DTC or the DTC nominee is the registered holder of the Bonds, the Trustee will not be responsible for mailing notices of redemption, or other notices described herein, to the Beneficial Owners of the Bonds. See "—Book-Entry Only System." So long as CEDE & Co., as nominee of DTC, is the registered owner of the Bonds, all notices of redemption will be sent only to CEDE & Co. and delivery of notice of redemption to DTC Participants, if any, is solely the responsibility of DTC (see "—Book-Entry Only System" herein).

Effect of Notice. When notice is required and given, Bonds called for redemption become due and payable on the redemption date; in such case when funds are deposited with the Trustee sufficient for redemption, interest on the Bonds to be redeemed ceases to accrue as of the date of redemption.

Book-Entry Only System

DTC, New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for the Bonds, in the aggregate principal amount of the issue, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended ("1934 Act"). DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC' s participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation (NSCC, FICC and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the SEC. More information about DTC can be found at www.dtc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Participants acting on

behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, defaults and proposed amendments to the security documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them

Redemption notices shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's current practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds, unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the applicable record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on such record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detailed information from the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participants and not of DTC or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal, premium, if any, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner of the Bonds shall give notice to elect to have its Bonds purchased or tendered through its Participant, to the Remarketing Agents, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds on DTC's records, to the Remarketing Agents. The requirement for physical delivery of Bonds in connection with a mandatory tender purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Remarketing Agents' DTC account.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, certificated bonds will be required to be printed and delivered.

In the event that the book-entry system is discontinued, the principal or redemption price of and interest on the Bonds will be payable in the manner described above, and the Bonds may be transferred or exchanged for one or

more Bonds in different Authorized Denominations upon surrender thereof at the principal corporate trust office of the Trustee by the registered owners or their duly authorized attorneys or legal representatives. Upon surrender of any Bonds to be transferred or exchanged, the Trustee shall record the transfer or exchange in the registration books and shall authenticate and deliver the new Bonds appropriately registered and in appropriate Authorized Denominations.

Under the Agreement, payments made by the Trustee to DTC or its nominee will satisfy the Authority's and the Company's obligations under the Agreement to the extent of the payments so made. Beneficial Owners will not be, and will not be considered by the Authority or the Trustee to be, and will not have any rights as, owners of Bonds under the Agreement.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Remarketing Agents, the Company and the Trustee believe to be reliable, but the Remarketing Agents, the Company and the Trustee take no responsibility for the accuracy thereof.

None of the Authority, the Remarketing Agents, the Company, the Trustee or any agent for payment on or registration of transfer or exchange of any Bond will have any responsibility or obligation to Direct Participants, Indirect Participants or the persons for whom they act as nominees with respect to the accuracy of the records of DTC, its nominee or any Direct Participant with respect to any ownership interest in the Bonds, or payments to, or the providing of notice for, Direct Participants, Indirect Participants, or Beneficial Owners or other action taken by DTC, or its nominee, Cede & Co., as the sole owners of the Bonds.

THE TRUSTEE

The Bank of New York, an affiliate of The Bank of New York Trust Company, N.A., the Trustee, is a depository for part of the Company's funds and participates as a lender in the Company's revolving credit facility.

TAX EXEMPTION

On July 25, 2007, Edwards Angell Palmer & Dodge LLP, Bond Counsel to the Company ("Bond Counsel"), delivered an opinion (the "2007 Opinion"), based upon an analysis of then-existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, to the effect that interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1954, as amended (the "1954 Code"), and Title XIII of the Tax Reform Act of 1986 (the "1986 Act"), except that no opinion is expressed as to the status of interest on any Bond for any period that such Bond is held by a "substantial user" of the facilities financed or refinanced by the Bonds or by a "related person" within the meaning of Section 103(b)(13) of the 1954 Code. The 2007 Opinion stated that Bond Counsel was of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observed that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. On the Conversion Date, Bond Counsel will deliver its opinion (the "Conversion Opinion") that, as of the Conversion Date and under existing law as of the Conversion Date, the Conversion will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes. Bond Counsel expressed and expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. Bond Counsel is not updating or reissuing the 2007 Opinion in connection with the Conversion.

The 1954 Code and the 1986 Act impose various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. Failure to comply with these requirements may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The Authority and the Company have covenanted to comply with such requirements to ensure that interest on the Bonds will not be included in federal gross income. The 2007 Opinion and the Conversion Opinion of Bond Counsel assume compliance with these covenants.

The 2007 Opinion further stated that the Bonds and the interest thereon are exempt from taxation under then-existing laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, banks and savings associations.

Complete copies of the 2007 Opinion and the proposed form of the Conversion Opinion are set forth in Appendix C-1 and Appendix C-2, attached hereto, respectively. The 2007 Opinion is provided for reference only and is not being updated or reissued on the Conversion Date.

Prospective Bondholders should be aware that certain requirements and procedures contained or referred to in the Agreement, and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds or after the Conversion Date may adversely affect the value of, or the tax status of interest on, the Bonds. Further, no assurance can be given that pending or future legislation, including amendments to the 1954 Code, if enacted into law, or any proposed legislation, including amendments to the 1954 Code, or any future judicial, regulatory or administrative interpretation or development with respect to existing law, will not adversely affect the value of, or the tax status of interest on, the Bonds. Prospective Bondholders are urged to consult their own tax advisors with respect to proposals to restructure the federal income tax.

Although the 2007 Opinion stated that interest on the Bonds is excluded from gross income for federal income tax purposes and that the Bonds, and the interest thereon are exempt from taxation under existing laws of the State of Florida, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect a Bondholder's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Bondholder or the Bondholder's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences, and Bondholders should consult with their own tax advisors with respect to such consequences.

CONTINUING DISCLOSURE

The Authority has determined that no financial or operating data concerning the Authority is material to any decision to purchase, hold or sell the Bonds, and the Authority will not provide any such information. The Company has undertaken all responsibilities for any continuing disclosure to Bondholders as described below, and the Authority shall have no liability to the Bondholders or any other person with respect to such disclosures.

The Company has covenanted for the benefit of Bondholders to provide certain financial information and operating data relating to the Company for the prior fiscal year by not later than May 31 of each year beginning May 31, 2008 (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events, if deemed by the Company to be material. The Annual Report and notices of material events will be filed on behalf of the Company with each Nationally Recognized Municipal Securities Information Repository and with the appropriate State Repository if such repository is established. The specific nature of the information to be contained in the Annual Report or the notices of material events is summarized in Appendix D - "FORM OF CONTINUING DISCLOSURE AGREEMENT." These covenants have been made in order to assist the Remarketing Agents in complying with Rule 15c2-12 promulgated by the SEC.

The Company is a reporting company under the Securities Exchange Act of 1934 and it files regular reports with the SEC. In addition, the Company is subject to continuing disclosure requirements under an existing continuing disclosure agreement. The Company has previously complied with the filing requirements under such prior continuing disclosure agreement.

RATINGS

The Bonds have been assigned the following ratings by the following rating agencies: Baa2, with a positive outlook, by Moody's Investors Service, Inc.; BBB-, with a stable outlook, by Standard and Poor's Ratings

Services, a division of The McGraw-Hill Companies, Inc.; and BBB+, rating watch positive, by Fitch Ratings. Each of these ratings is based on the ratings for the Company's long-term unsecured debt.

Before the Conversion Date, the Bonds were insured by a bond insurance policy provided by the Financial Guaranty Insurance Company ("FGIC"). The Bonds were called for purchase by the Company on the Conversion Date. Immediately after the purchase of the Bonds on the Conversion Date, the Company, acting as sole bondholder, canceled the bond insurance policy and directed the Trustee to deliver the canceled policy to FGIC, and FGIC acknowledged receipt of the canceled policy. Effective on the Conversion Date, the Agreement and Bonds were amended to remove references to the bond insurance policy and the rights and obligations of FGIC. As a result, the Bonds are being remarketed without any bond insurance.

A credit rating is not a recommendation to buy, sell or hold securities. There is no assurance that the ratings will continue for any given period of time or that any that they might not be revised downward or withdrawn entirely by the rating agencies, if in their judgment circumstances so warrant. Any such downward revision or withdrawal of the ratings might have an adverse effect on the market price of the Bonds.

REMARKETING

SunTrust Robinson Humphrey, Inc. and J.P. Morgan Securities Inc. (the "2007A Remarketing Agents"), as Remarketing Agents of the Series 2007A Bonds, have agreed, subject to certain terms and conditions, to remarket the 2007A Bonds to the public on the terms and at a price specified on the cover page of this Remarketing Circular. The Company has agreed to pay to the 2007A Remarketing Agents, in connection with the remarketing of the Series 2007A Bonds, as consideration for their agreement to remarket the Series 2007A Bonds, a fee equal to 0.60% of the aggregate principal amount of the Series 2007A Bonds and reimbursement for certain expenses in connection therewith.

UBS Securities LLC and Citigroup Global Markets Inc. (the "2007B Remarketing Agents"), as Remarketing Agents of the Series 2007B Bonds, have agreed, subject to certain terms and conditions, to remarket the 2007B Bonds equal to the public on the terms and at a price specified on the cover page of this Remarketing Circular. The Company has agreed to pay to the 2007B Remarketing Agents, in connection with the remarketing of the Series 2007B Bonds, as consideration for their agreement to remarket the Series 2007B Bonds, a fee equal to 0.50% of the aggregate principal amount of the Series 2007B Bonds and reimbursement for certain expenses in connection therewith.

The Company has agreed to indemnify the Remarketing Agents against certain liabilities, including liabilities under the federal securities laws, in connection with the offering of the Bonds pursuant to this Remarketing Circular.

In the ordinary course of their respective businesses, the Remarketing Agents and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with the Company and/or its affiliates.

LEGALITY

Edwards Angell Palmer & Dodge LLP, Boston, Massachusetts acted as Bond Counsel in connection with the original issuance of the Bonds and in connection with the remarketing of the Bonds as contemplated in this Remarketing Circular. David E. Schwartz, Associate General Counsel for the Company, and Edwards Angell Palmer & Dodge LLP, as counsel to the Company, will each pass upon certain legal matters for the Company. Certain legal matters will be passed upon for the Remarketing Agents by Ropes & Gray LLP, counsel for the Remarketing Agents. Edwards Angell Palmer & Dodge LLP acted as counsel for the Company in connection with the remarketing of the Bonds and acts as counsel from time to time in matters for the Company and certain of its affiliates. Ropes & Gray LLP acts as counsel from time to time in matters for the Company and certain of its affiliates.

APPENDIX A
TAMPA ELECTRIC COMPANY[1]

Tampa Electric, a division of Tampa Electric Company (the "Company"), provides electric energy and related services to over 668,000 residential, commercial and industrial customers in its West Central Florida service area covering approximately 2,000 square miles, including the City of Tampa and the surrounding areas. Tampa Electric has a total net winter generating capacity of 4,602 megawatts in operation, and is constructing additional capacity to serve its growing customer base. Peoples Gas System, a division of the Company, is Florida's leading provider of natural gas. With a presence in most of Florida's major metropolitan areas, it serves over 334,000 residential and commercial customers. Annual natural gas throughput (the amount of gas delivered to its customers, including transportation-only service) in 2007 was 1.4 billion therms. Peoples Gas System is continuing its expansion into other areas of Florida previously unserved by natural gas.

The Company is a subsidiary of TECO Energy, Inc., a Florida corporation, the common stock of which is traded on the New York Stock Exchange.

The principal executive offices of the Company are located at TECO Plaza, 702 North Franklin Street, Tampa, Florida 33602, telephone (813) 228-4111.

AVAILABLE INFORMATION

The Company is subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "1934 Act") and files reports and other information with the Commission. Such reports and other information can be inspected and copied at the public reference room maintained by the Commission at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the Commission at 1-800-SEC-0330 for further information on the public reference room. The Company's filings with the Commission are also available to the public on the Commission's website at http://www.sec.gov. Copies of the Company's reports on Forms 10-K, 10-Q and certain 8-K's filed by the Company with the Commission are filed jointly with similar reports filed by TECO Energy, Inc. and thus are also available on TECO Energy, Inc.'s website at www.tecoenergy.com. TECO Energy, Inc.'s website is not part of this Remarketing Circular.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Company hereby incorporates by reference its Annual Report on Form 10-K for the fiscal year ended December 31, 2007 filed with the Commission on February 28, 2008, its Amended Annual Report on Form 10-K/A for the fiscal year ended December 31, 2007 filed with the Commission on March 7, 2008 and its Current Report on Form 8-K dated and filed on February 25, 2008 and all documents hereafter filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the 1934 Act prior to the termination of the offering made by the Remarketing Circular.

The Company hereby undertakes to provide without charge to each person to whom a copy of this Remarketing Circular has been delivered, at the written request of such person, a copy of any or all of the documents referred to above that have been or may be incorporated in this Appendix by reference, other than exhibits to such documents. Written requests for such copies should be directed to Director of Investor Relations, Tampa Electric Company, P.O. Box 111, Tampa, Florida 33601.

The data contained in this Appendix is furnished solely to provide limited information regarding the Company and does not purport to be comprehensive. Such data is qualified in its entirety by reference to the

[1] The information contained in Appendix A to this Remarketing Circular has been obtained from Tampa Electric Company and speaks as of March 19, 2008. The Authority and the Remarketing Agents make no representation as to the accuracy and completeness of the information contained in Appendix A.

detailed information and financial statements appearing in the documents incorporated herein by reference and, therefore, should be read together therewith.

You should rely only on the information contained or incorporated by reference in this Appendix. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information appearing in this Appendix and the documents incorporated by reference in this Appendix is accurate only as of the dates of this Remarketing Circular or those documents incorporated by reference. The Company's business, financial condition, results of operations and prospects may have changed since those dates.

INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTING FIRM

The financial statements of the Company as of December 31, 2007 and 2006 and for each of the three years in the period ended December 31, 2007, incorporated herein by reference, have been audited by PricewaterhouseCoopers LLP, an independent registered certified public accounting firm as stated in their report, which is also incorporated herein by reference.

APPENDIX B
SUMMARY OF THE LOAN AND TRUST AGREEMENT

The following is a summary of certain provisions of the Agreement relating to the Bonds, not including some of the provisions summarized in the Remarketing Circular describing the Bonds.

Payments by the Company

On the date on which a payment of principal of or interest is due on Bonds of any series, the Company shall pay to the Trustee for deposit in the Bond Fund for such series of Bonds an amount equal to such payment less the amount, if any, in the Bond Fund for such series of Bonds and available therefor.

The payments to be made under the foregoing paragraph shall be appropriately adjusted to reflect the date of issue of Bonds, accrued interest deposited in the Bond Fund for such series, if any, and any purchase or redemption of Bonds of such series so that there will be available on each payment date in the Bond Fund for such series of Bonds the amount necessary to pay the interest and principal due or coming due on the Bonds of such series and so that accrued interest will be applied to the installments of interest to which it is applicable.

At any time when any principal of the Bonds of any series is overdue, the Company shall also have a continuing obligation to pay to the Trustee for deposit in the Bond Fund for such series an amount equal to interest on the overdue principal but the installment payments required as described above shall not otherwise bear interest. Redemption premiums shall not bear interest.

Payments by the Company to the Trustee for deposit in the Bond Fund under the Agreement shall discharge the obligation of the Company to the extent of such payments; provided, that if any moneys are invested in accordance with the Agreement and a loss results therefrom so that there are insufficient funds to pay principal and interest on the Bonds of any series when due, the Company shall supply the deficiency.

Within thirty (30) days after notice, the Company shall also pay all expenditures (except general administrative expenses or overhead) reasonably incurred by the Authority by reason of the Agreement and the reasonable fees and expenses of the Trustee and any paying agent, tender agent or registrar.

Obligation Absolute

The Company's obligation to make payments of principal, interest and premium, if any, is absolute and unconditional, to the extent permitted by law, free of deductions and without any abatement, offset, recoupment, diminution or set-off whatsoever, and the Company (1) will not suspend or discontinue payments, (2) will perform and observe all of its other agreements contained in the Agreement, (3) will not knowingly take or authorize or permit, to the extent such action is within the control of the Company, any action with respect to the Project, the proceeds of the Bonds or any insurance, condemnation or other proceeds derived directly or indirectly in connection with the Project, which will result in the loss of the exclusion of interest on the Bonds from federal gross income, and (4) except as permitted in the Agreement, will not terminate the Agreement for any reason including, without limiting the generality of the foregoing, the occurrence of any act or circumstance that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of Florida or any political subdivision of either of them, any failure of the Authority or the Trustee to perform or observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Agreement, or arising out of any indebtedness or liability at any time owing to the Company by the Authority or the Trustee.

Pledge of First Mortgage Bonds

Although the Company has not yet elected to do so, in order to provide collateral security for the Company's obligations to make payments of principal, premium, if any, and interest on any series of Bonds, the Company may elect to issue and deliver to the Trustee one or more series of First Mortgage Bonds, registered in the

name of the Trustee, which shall have the same stated rate or rates of interest prior to maturity, payable at the same times, and which shall become due in the same principal amount or amounts, either by redemption, through operation of a sinking fund or by maturity, on the same date or dates, as such series of Bonds. The First Mortgage Bonds shall be held subject to the terms and provisions of the Agreement and the First Mortgage.

To exercise this election, the Company shall, not less than 14 days prior to the proposed date of delivery of the First Mortgage Bonds, (1) give to the Authority, the Trustee and the nationally recognized securities rating agencies which then rate the Bonds written notice that designates the date on which such First Mortgage Bonds will be delivered, and (2) deliver to the Trustee and the Authority a written opinion of Tax Counsel to the effect that such election and the delivery of such First Mortgage Bonds will not cause the interest on the Bonds to become includable in gross income for federal income tax purposes.

Indemnification

The Company has agreed to indemnify the Authority, the Trustee, any paying agent, tender agent and registrar and each of their respective members, directors, officers, employers, agents and attorneys (collectively, the "Indemnified Persons") against claims arising out of the construction or operation of the pollution control facilities financed with the proceeds of the Refunded Bonds or the proceeds of the bonds refunded by the Refunded Bonds (the "Project") and to pay or bond and discharge and indemnify and hold harmless each Indemnified Person from and against (1) any lien or charge upon payments by the Company to or for the account of the Authority and (2) any taxes, assessments, impositions and other charges of any federal, state or municipal government or political body in respect of the Project. If any such claim is asserted, or any such lien or charge upon payments, or charges are sought to be imposed, the applicable Indemnified Person shall give prompt notice to the Company, and the Company shall pay the same or bond and assume the defense thereof, with full power to contest, litigate, compromise or settle the same in its reasonable discretion. The Company shall also protect, indemnify and hold each Indemnified Person harmless against any claim or liability arising from the Agreement, the bond resolution, the issuance of the Bonds and all transactions pertaining thereto, including but not limited to any loss or damage to property or any injury to or death of any person that may be occasioned by any cause pertaining to the Project or to the use thereof, in excess of any insurance proceeds available to the Authority in connection with the Project. Such indemnification shall include reasonable expenses and attorney's fees and expenses incurred by any Indemnified Person in connection therewith. Nothing contained in the Agreement shall require the Company to indemnify an Indemnified Person for any claim or liability resulting from the willfully wrongful acts or gross negligence of any Indemnified Person.

Assignment; Merger

Under certain conditions, the Company may assign its interest in the Agreement and lease or sell the Project, in whole or in part, without the consent of the Authority or the Trustee. No such assignment, lease or sale will operate to relieve the Company from its primary liability for its obligations under the Agreement, including, its obligation to make the payments of principal of, premium, if any, and interest on the Bonds or to make payments with respect to the purchase of Bonds.

The Company may consolidate with or merge into, or sell or otherwise transfer all or substantially all of its assets to, another corporation, partnership, including a limited partnership and limited liability partnership, joint venture, association, company, limited liability company, joint-stock company or business trust (each, a "Corporation") organized and existing under the laws of the United States of America or of one of the states of the United States or the District of Columbia or of a foreign jurisdiction which consents to the jurisdiction of the courts of the United States or the courts of one of the states of the United States if the surviving, resulting or transferee entity, if not the Company, expressly assumes by an agreement supplemental to the Agreement, all obligations of the Company under the Agreement.

Pledge and Security

Pursuant to the Agreement, the Authority has assigned and pledged to the Trustee all payments by the Company under the Agreement to secure the payment of the principal of and premium, if any, and interest on the Bonds. The Authority has also pledged and assigned to the Trustee all its other rights and interests under the Agreement (other than its rights to indemnification and reimbursement of expenses contained in the Agreement).

Deposit of Bond Proceeds

The proceeds of the sale of the Bonds shall be deposited first to the Bond Fund for the applicable series in an amount equal to the accrued interest, if any, paid by the purchasers of the Bonds, then the remaining balance to the Refunding Fund for the redemption of the Refunded Bonds.

Investments

The moneys in the Funds under the Agreement will, at the specific written direction of the Company, be invested in securities or obligations specified in the Agreement. All income or other gain from such investments will be credited, and any loss will be charged, to the particular fund from which the investments were made.

Establishment of Funds

The following funds shall be established and maintained with the Trustee for the account of the Company, to be held in trust and applied subject to the provisions of the Agreement:

Bond Fund (for each series);
Refunding Fund; and
First Mortgage Bond Fund (for each series)

Bond Fund

The moneys and investments held in the Bond Funds shall be applied, except as otherwise provided, solely to the payment of the principal of, redemption premiums, if any, and interest on the respective series of Bonds.

Refunding Fund

The moneys and investments held in the Refunding Fund shall be applied, except as otherwise provided, solely to the redemption of the Refunded Bonds.

First Mortgage Bond Fund

All payments, if any, made on the First Mortgage Bonds shall be deposited to the First Mortgage Bond Fund for the applicable series of Bonds. Any funds in the First Mortgage Bond Fund shall be applied first to any amounts which the Company may be required to pay to the Trustee or the Paying Agent, as appropriate, for deposit in the applicable Bond Fund, pending such application, shall be subject to a lien and charge in favor of the holders of the Bonds of the applicable series.

Application of Moneys – Priorities

If the Trustee collects any money pursuant to the provisions of the Agreement relating to default and limitations of liability, or if any moneys shall be on deposit in the Bond Fund at the time of the acceleration of the Bonds or shall be deposited into the Bond Fund as a result of such an acceleration, it shall pay out such moneys in the following order: first, to the Trustee for amounts to which it is entitled; second, to holders for amounts due and unpaid on the Bonds for principal, premium and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Bonds for principal, premium and interest, respectively; and third, to the Company. The Trustee may fix a payment date for any payment to the Bondholders.

Events of Default

If any of the following events occur, it constitutes an "Event of Default" under the Agreement:

(a) Default in the due and punctual payment of interest on any Bond;

(b) Default in the due and punctual payment of the principal of, or premium, if any, on any Bond, whether at the stated maturity thereof, redemption thereof, or upon the acceleration thereof;

(c) Default in the due and punctual payment of the purchase price of any Bond required to be purchased in accordance with its terms;

(d) First Mortgage Bonds shall have been delivered in connection with the Bonds and a "default" as defined in the First Mortgage shall have occurred and be continuing;

(e) A trustee, receiver, custodian or similar official or agent shall be appointed for the Company or for any substantial part of its property and such trustee or receiver shall not be discharged within sixty (60) days;

(f) The Company shall commence a voluntary case under the federal bankruptcy laws, or shall make an assignment for the benefit of creditors, or shall apply for, consent to or acquiesce in the appointment of, or taking possession by, a trustee, receiver, custodian or similar official or agent for itself or any substantial part of its property;

(g) The Company shall have an order or decree for relief in an involuntary case under the federal bankruptcy laws entered against it, or a petition seeking reorganization, readjustment, arrangement, composition, or other similar relief as to it under the federal bankruptcy laws or any similar law for the relief of debtors shall be brought against it and shall be consented to by it or shall remain undismissed for sixty (60) days; or

(h) The Company or the Authority shall fail to observe or perform in any material way any covenant, condition, agreement or provision contained in the Bonds or in the Agreement on the part of the Company or the Authority to be performed other than those set forth in clause (a), (b), (c), (d), (e), (f) or (g) of this section, and such failure shall continue for ninety (90) days after written notice specifying such failure and requiring the same to be remedied shall have been given to the Company and the Authority by the Trustee, which notice may be given by the Trustee in its discretion and shall be given by the Trustee at the written request of the holders of not less than twenty-five percent (25%) in aggregate principal amount of all Bonds then outstanding, unless the Trustee and Bondholders of a principal amount of Bonds not less than the principal amount of the Bonds the Bondholders of which requested such notice, as the case may be, shall agree in writing to an extension of such period prior to its expiration; provided however, that the Trustee and the Bondholders of such principal amount of Bonds, as the case may be, shall be deemed to have agreed to an extension of such period if corrective action is initiated by the Authority or the Company on behalf of the Authority within such period and is being diligently pursued.

Remedies

Upon the occurrence and continuance of any Event of Default described in clause (a), (b), (c), (d), (e) or (h) under "Events of Default" above, and further upon the condition that if any First Mortgage Bonds shall have been delivered, all first mortgage bonds outstanding under the First Mortgage shall have become immediately due and payable in accordance with the terms of the First Mortgage, the Trustee may, at the direction of the Bondholders of not less than 25% in principal amount of the Bonds then outstanding shall, by written notice to the Authority and to the Company declare the Bonds to be immediately due and payable, whereupon, and upon the occurrence of an Event of Default as specified in clause (f) or (g) under "Events of Default" above without any further notice or action by the Trustee or the Authority, the Bonds shall, without further action, become and be immediately due and payable, any provisions of the Agreement or the Bonds to the contrary notwithstanding, and the Trustee shall give notice of acceleration to the Authority, and shall give notice thereof by mail to the Bondholders.

The provisions described in the preceding paragraph, however, are subject to the condition that if, after the principal of the Bonds shall have been so declared to be due and payable, and before any judgment or decree for the payment of moneys due shall have been obtained or entered as the Agreement provides, the Company or the Authority shall cause to be deposited with the Trustee a sum sufficient to pay all matured installments of interest upon all the Bonds and the principal of any and all Bonds which shall have become due otherwise than by reason of such declaration (with interest upon such principal and, to the extent permissible by law, on overdue installments of interest, at the rate per annum specified in the Agreement) and such amounts as shall be sufficient to cover

reasonable compensation and reimbursement of expenses payable to the Trustee and any paying agent, tender agent and registrar, and all Events of Default under the Agreement other than nonpayment of the principal of Bonds which shall have become due by said declaration shall have been remedied, then, in every such case, such Event of Default shall be deemed waived and such declaration and its consequences rescinded and annulled, and the Trustee shall promptly give written notice of such waiver, rescission or annulment to the Authority and the Company, and shall give notice thereof to the Bondholders; but no such waiver, rescission and annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereon; provided, however, that if any First Mortgage Bonds shall have been delivered in connection with the Bonds, any waiver of "default" under the First Mortgage and a rescission and annulment of its consequences shall constitute a waiver of the corresponding Event of Default under the Agreement and a rescission and annulment of the consequences thereof, and the Trustee shall promptly give written notice of such waiver, rescission and annulment to the Authority and the Company, and notice to the Bondholders in the same manner as a notice of redemption; but no such waiver, rescission and annulment shall extend to or affect any subsequent default or Event of Default or impair any right or remedy consequent thereon.

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy by proceeding at law or in equity to collect the principal of and premium, if any, or interest on the Bonds or to enforce the performance of any provision of the Bonds or the Agreement.

Defeasance

If and when the whole amount of the principal, or Redemption Price and the interest so due and payable upon all of the Bonds shall be paid, or provision shall have been made for the payment of the same, together with all other sums payable under the Agreement by the Company on behalf of the Authority, including all fees and expenses of the Trustee and the Authority, then and in that case, the Agreement and the lien created by the Agreement shall be discharged and satisfied and the Authority shall be released from the covenants, agreements and obligations contained in the Agreement, and the Trustee shall assign and transfer to or upon the order of the Company all property (in excess of the amounts required for the foregoing) then held by the Trustee free and clear of any encumbrances and shall execute such documents as may be reasonably required by the Authority and the Company in this regard.

Subject to the provisions of the above paragraph, when any of the Bonds shall have been paid and if, at the time of such payment, all the covenants and promises in such Bonds and in the Agreement required or contemplated to be kept, performed and observed by the Authority (or by the Company on behalf of the Authority) or on its part on or prior to that time, then the Agreement shall be considered to have been discharged in respect of such Bonds and such Bonds shall cease to be entitled to the lien of the Agreement and such lien and all covenants, agreements and other obligations under the Agreement shall cease, terminate, become void and be completely discharged as to such Bonds.

Removal of Trustee

The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee, the Authority, the Company, the Remarketing Agents, the Auction Agent and each Broker-Dealer and signed by the owners of a majority in aggregate principal amount of Bonds then outstanding. In addition, provided that no Event of Default, or event or circumstance which with the passage of time or the giving of notice could become an Event of Default, has occurred and is continuing, the Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Authority, the Trustee, the Remarketing Agent, the Auction Agent, each Broker-Dealer and the Bondholders and signed by the Company, such removal to be effective only upon the acceptance of such appointment by a qualified successor Trustee. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of removal, the Trustee being removed may petition, at the expense of the Company, any court of competent jurisdiction for the appointment of a successor Trustee.

Supplemental Agreements

The Agreement may be modified or amended by supplemental agreements without consent of or notice to the Bondholders for any of the following purposes:

(a) to cure any ambiguity, defect or omission in the Agreement, or otherwise amend the Agreement, in such manner as shall not in the opinion of the Trustee impair the security of the Agreement;

(b) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the Bondholders or the Trustee;

(c) (i) to evidence any succession to the Authority and the assumption by its successor of the covenants, agreements and obligations of the Authority under the Agreement and the Bonds, (ii) to add additional covenants of the Authority, or (iii) to surrender any right or power in the Agreement conferred upon the Authority;

(d) to subject to the Agreement additional revenues, properties or collateral, which may be accomplished by, among other things, entering into instruments with the Company and/or other persons providing for further security, covenants, limitations or restrictions for the benefit of the Bonds;

(e) to modify, amend or supplement the Agreement or any Agreement supplemental to the Agreement in such manner as may be required to permit the qualification of the Agreement and thereof under the Trust Agreement Act of 1939 or any similar federal statute hereafter in effect, and to add to the Agreement or any Agreement supplemental to the Agreement such other terms, conditions and provisions as may be required by said Trust Agreement Act of 1939 or similar federal statute;

(f) to amend any provision pertaining to matters under Federal income tax laws, including Section 148(f) of the Code;

(g) to authorize different authorized denominations of the Bonds and to make correlative amendments and modifications to the Agreement regarding exchangeability of Bonds of different authorized denominations, redemptions of portions of Bonds of particular authorized denominations and similar amendments and modifications of a technical nature;

(h) to increase or decrease the number of days specified for the giving of notices pertaining to mandatory tender and to make corresponding changes to the period for notice of mandatory tender of the Bonds; provided that no decreases in any such number of days shall become effective except while the Bonds bear interest at a Daily Rate or a Weekly Rate and until 30 days after the Trustee has given notice to the owners of the Bonds;

(i) to provide for an uncertificated system of registering the Bonds or to provide for the change to or from a Book Entry System for the Bonds;

(j) to evidence the succession of a new Trustee or the appointment by the Trustee or the Authority of a co trustee;

(k) to make any change related to the Bonds that does not materially adversely affect the rights of any Bondholder;

(l) prior to, or concurrently with, the conversion of the Bonds of any series to an ARS Rate Period, to make any change appropriate or necessary with respect to the procedures, definitions or provisions related to the ARS Rate Period in order to provide for or facilitate the marketability of Bonds in the ARS Rate Period; and

(m) to make any other changes to the Agreement that take effect as to any or all remarketed Bonds following a mandatory tender.

Exclusive of supplemental agreements entered into for the purposes described in the preceding paragraphs, and not otherwise, the holders of not less than a majority in aggregate principal amount of the Bonds outstanding shall have the right, from time to time, to consent to and approve the execution by the Company, the Authority and the Trustee of such other agreement or agreements supplemental to the Agreement as shall be deemed necessary and desirable by the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of terms or provisions contained in the Agreement or in any agreement supplemental to the Agreement; provided, however, that nothing in the Agreement contained shall permit, or be construed as permitting (i) without the consent of the holder of the affected Bond an extension of the maturity of the principal of or the interest on any Bond issued under the Agreement, or a reduction in the principal amount of, or redemption premium on, any Bond or the rate or rates of interest thereon, or (ii) without the consent of the holders of all Bonds outstanding a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental agreement.

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APPENDIX C-1
2007 OPINION OF BOND COUNSEL

Letterhead of Edwards Angell Palmer & Dodge LLP

July 25, 2007

Hillsborough County Industrial
Development Authority
c/o Thomas K. Morrison
Morrison & Mills, P.A.
1200 West Platt, Suite 100
Tampa, Florida 33606

SunTrust Capital Markets, Inc., as underwriter of the Series 2007A Bonds
303 Peachtree Street
24th Floor – MC: 3945
Atlanta, Georgia 30308

UBS Securities LLC, as underwriter of the Series 2007B Bonds
1285 Avenue of the Americas, 15th Floor
New York, New York 10019

Merrill Lynch & Co., as underwriter of the Series 2007C Bonds
4 World Financial Center
North Tower, 9th Floor
New York, New York 10080

The Bank of New York Trust
Company, N.A., as Trustee
10161 Centurion Parkway
Jacksonville, Florida 32256

Financial Guaranty Insurance Company,
as Bond Insurer
125 Park Avenue
New York, New York 10017

$125,800,000
Hillsborough County Industrial Development Authority
Pollution Control Revenue Refunding Bonds
(Tampa Electric Company Project)
Series 2007
Comprising:
$54,200,000 Series 2007A (Non-AMT)
$51,600,000 Series 2007B (Non-AMT)
$20,000,000 Series 2007C (AMT)
(collectively, the "Bonds")

We have acted as bond counsel in connection with the issuance by the Hillsborough County Industrial Development Authority (the "Authority") of the above-captioned Bonds. In such capacity, we have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion, including the Loan and Trust Agreement dated as of July 2, 2007 (the "Agreement") among the Authority, Tampa Electric Company (the "Company") and The Bank of New York Trust Company, N.A., as Trustee (the "Trustee"). Terms not defined herein shall have the same meanings as set forth in the Agreement.

As to questions of fact material to our opinion we have relied upon representations and covenants of the Authority and the Company contained in the Agreement, the certified proceedings and other certifications of public officials furnished to us, and certifications by officials of the Company and others, without undertaking to verify the same by independent investigation.

The Bonds are issued pursuant to the Agreement. Under the Agreement, the Company has agreed to make payments sufficient to pay when due the principal of, purchase price of and premium (if any) and interest on the Bonds. Such payments and other moneys payable to the Authority or the Trustee under the Agreement, including proceeds derived from any security provided thereunder (collectively, the "Revenues"), and the rights of the Authority under the Agreement to receive the same (excluding, however, certain administrative fees, indemnification and reimbursements), are pledged and assigned by the Authority to the Trustee as security for the Bonds. The Bonds are payable solely from the Revenues. The Bonds do not constitute a general obligation of the Authority nor are they a debt or pledge of the faith and credit of the State of Florida. Reference is hereby made to the Agreement and the Agreement for detailed statements of the rights and obligations (and limitations on liability, as the case may be) of the Authority, the Company, the Trustee and the owners of the Bonds.

We express no opinion with respect to compliance by the Company with applicable legal requirements in connection with the acquisition, construction, equipping, leasing or operation of the Project, or with the Agreement.

Reference is made to our opinion of even date, being delivered in our capacity as counsel to the Company, with respect to, among other matters, the corporate existence of the Company, the power of the Company to carry out the Project being refinanced in part by the Bonds, the power of the Company to enter into and perform its obligations under the Agreement, and the authorization, execution and delivery of the Agreement by the Company.

Based on the foregoing, we are of the opinion that:

1. The Authority is a validly existing public body corporate and politic created under Florida Statutes §159.45, with all necessary power and authority to enter into and perform its obligations under the Agreement, the Purchase Contract and the Bonds.

2. The Agreement has been duly authorized, executed and delivered by the Authority and is a valid and binding obligation of the Authority enforceable against the Authority.

3. The Bonds have been duly authorized, executed and delivered by the Authority and are valid and binding special limited obligations of the Authority, payable solely from the Revenues.

4. Interest on the Bonds is excluded from the gross income of the owners of the Bonds for federal income tax purposes, except for interest on the Bonds during any period while they are held by a "substantial user" of the facilities financed with the proceeds of the Bonds or by a "related person" within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended (the "1954 Code"), with respect to the Series 2007A Bonds and the Series 2007B Bonds, or Section 147(a) of the Internal Revenue Code of 1986 (the "1986 Code"), with respect to the Series 2007C Bonds. Interest on the Series 2007A Bonds and the Series 2007B Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Interest on the Series 2007C Bonds is a specific preference item for purposes of the federal individual or corporate alternative minimum taxes. We call your attention to the fact that failure by the Authority or the Company to comply subsequent to the issuance of the Bonds with certain requirements of the 1954 Code or 1986 Code, including but not limited to requirements under the 1954 Code and the 1986 Code to operate the facilities refinanced with the proceeds of the Bonds (or portions of such facilities) as solid waste or sewage disposal or pollution control facilities, may cause interest on the Bonds to become includable in the gross income of the owners of the Bonds for federal income tax purposes retroactive to the date of issuance of the Bonds. The Company and, to the extent necessary, the Authority have covenanted in the Agreement to take all lawful action necessary under the 1954 Code and the 1986 Code to ensure that interest on the Bonds will remain excluded from the gross income of the owners of the Bonds for federal income tax purposes and to refrain from taking any action which would cause interest on the Bonds to become included in such gross income. We express no opinion regarding any other federal tax consequences arising with respect to the Bonds.

5. We are further of the opinion that, under existing law, the Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, banks and savings associations.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

EDWARDS ANGELL PALMER & DODGE LLP

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APPENDIX C-2
PROPOSED OPINION OF BOND COUNSEL

[Letterhead of Edwards Angell Palmer & Dodge LLP]

_____, 2008

Hillsborough County Industrial Development Authority
c/o Morrison & Mills, P.A.
1200 West Platt Street, Suite 100
Tampa, Florida 33606
Attention: Thomas Morrison, Esq.

The Bank of New York Trust Company, N.A.,
as Trustee
10161 Centurion Parkway
Jacksonville, Florida 32256
Attn: Corporate Trust Department

Re: $105,800,000 Hillsborough County Industrial Development Authority Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project), Series 2007

We are acting as Bond Counsel to Tampa Electric Company (the "Company") in connection with the conversion of the above-referenced bonds (the "Bonds") from the Auction Rate Period to the Long-Term Interest Period (the "Conversion") on March 26, 2008 (the "Conversion Date") in accordance with the terms of the Loan and Trust Agreement (the "Agreement") dated as of July 2, 2007 among the Hillsborough County Industrial Development Authority, the Company and The Bank of New York Trust Company, N.A, as trustee.

We are delivering this opinion to you in accordance with Section 3.03(b) of the Agreement.

We have examined the law and such certified proceedings and other papers, including the Agreement, as we have deemed necessary in order to render this opinion. Based on our examination, we are of the opinion, as of the date hereof and under existing law, that the proposed Conversion of the Bonds on the Conversion Date is permitted under the Act (as defined in the Agreement) and the Agreement and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds.

The foregoing opinion is limited to the matters addressed herein and is not to be construed as an update or reissue of our opinion dated July 25, 2007 with respect to the Bonds.

EDWARDS ANGELL PALMER & DODGE LLP

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APPENDIX D
CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement dated July 25, 2007 (the "Disclosure Agreement") is executed and delivered by the Tampa Electric Company (the "Company") and The Bank of New York Trust Company, N.A. (the "Trustee") in connection with the issuance of $125,800,000 Hillsborough County Industrial Development Authority (Florida) Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project), Series 2007 (the "Bonds"). The Bonds are being issued and the proceeds thereof loaned to the Company pursuant to the Loan and Trust Agreement dated as of July 2, 2007 (the "Agreement") among the Hillsborough County Industrial Development Authority (the "Issuer"), the Company and the Trustee. The Company and the Trustee covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Company and the Trustee for the benefit of the Owners of the Bonds and in order to assist the Participating Remarketing Agents in complying with the Rule. The Company and the Trustee acknowledge that the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Agreement, and has no liability to any person, including any Owner of the Bonds, with respect to any such reports, notices or disclosures.

SECTION 2. Definitions. In addition to the definitions set forth in the Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Company pursuant to, and as described in, Section 3 of this Disclosure Agreement.

"Dissemination Agent" shall mean the Company, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Company and which has filed with the Trustee a written acceptance of such designation.

"Listed Events" shall mean any of the events listed in Section 4(a) of this Disclosure Agreement.

"National Repository" shall mean any nationally recognized municipal securities information repository for purposes of the Rule. The current National Repositories are listed on Exhibit A attached hereto.

"Owners of the Bonds" shall mean the registered owners, including beneficial owners, of the Bonds.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Repository" shall mean each National Repository and each State Repository.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"State Repository" shall mean any public or private repository or entity designated by the State of Florida as a state information repository for the purpose of the Rule. As of the date of this Disclosure Agreement, there is no State Repository.

"Transmission Agent" shall mean any central filing office, conduit or similar entity which undertakes responsibility for accepting filings under the Rule for submission to each Repository. The current Transmission Agent is listed on Exhibit A attached hereto.

SECTION 3. Provision of Annual Reports.

(a) The Company shall, or shall cause the Dissemination Agent to, not later than May 31 of each year, commencing May 31, 2008, provide to each Repository a copy of the Company's Annual Report on Form 10-K for each fiscal year filed with the SEC (or any successor form adopted by the SEC) containing audited financial statements of the Company (or attaching thereto the annual report to shareholders if such information is incorporated by reference in such Form 10-K from such annual report). In the event that the Company no longer files such reports with the SEC under the Securities Exchange Act of 1934, as amended, it will deliver to each Repository within the time set forth in this paragraph, a copy of its audited financial statements, prepared in accordance with generally accepted accounting principles and operating data (within the meaning of the Rule), of the type incorporated by reference in the Official Statement dated July 23, 2007 with respect to the Bonds. The deliveries described in this paragraph may be accomplished by delivery of an instrument incorporating by reference material on file with the SEC. Not later than fifteen (15) business days prior to said date, the Company shall provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information; provided that the audited financial statements of the Company may be submitted, when available, separately from the balance of the Annual Report. If audited financial statements for the preceding fiscal year are not available when the Annual Report is submitted, the Annual Report will include unaudited financial statements for the preceding fiscal year and the Company shall provide the audited financial statements as soon as practicable after the audited financial statements become available.

(b) If by fifteen (15) business days prior to the date specified in subsection (a) for providing the Annual Report to the Repositories, the Trustee has not received a copy of the Annual Report, the Trustee shall contact the Company, the Issuer and the Dissemination Agent and notify them that the Trustee has not received the Annual Report.

(c) If an Annual Report has not been provided to the Repositories by the date required in subsection (a), the Dissemination Agent shall send a notice to each Repository in substantially the form attached as Exhibit B.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each National Repository and each State Repository, if any (insofar as determinations regarding National Repositories are concerned, the Dissemination Agent or the Company, as applicable, may rely conclusively on the list of National Repositories maintained by the SEC); and

(ii) file a report with the Company, the Issuer and the Trustee (if the Dissemination Agent is not the Trustee) certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided, and listing all the Repositories to which it was provided.

SECTION 4. Reporting of Material Events.

(a) This Section 4 shall govern the giving of notices of the occurrence of any of the following events with respect to the Bonds, to the extent known by the Company as applicable:

(i) Principal and interest payment delinquencies.

(ii) Non-payment related defaults.

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties.

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties.

(v) Substitution of credit or liquidity providers, or their failure to perform.

(vi) Adverse tax opinions or events affecting the tax-exempt status of the security.

(vii) Modifications to rights of the security holders.

(viii) Bond calls.

(ix) Defeasances.

(x) Release, substitution or sale of property securing repayment of the securities.

(xi) Rating changes.

(b) Whenever the Company obtains knowledge of the occurrence of a Listed Event, if such Listed Event is material under applicable federal securities laws, the Company shall promptly report the occurrence pursuant to subsection (d).

(c) If such Listed Event is not material the Company shall not report the occurrence pursuant to subsection (d).

(d) If the Company has concluded that it must report the occurrence of a Listed Event to comply with the Rule, the Company shall, or shall cause the Dissemination Agent to, file a notice of such occurrence with the Repositories, the Trustee and the Issuer.

SECTION 5. Termination of Reporting Obligation. The Company's obligations under this Disclosure Agreement shall terminate upon the defeasance in accordance with the terms of the Agreement, prior redemption or payment in full of all of the Bonds or upon delivery to the Trustee of an opinion of counsel expert in federal securities laws selected by the Company and acceptable to the Trustee to the effect that compliance with this Disclosure Agreement no longer is required by the Rule. If the Company's obligations under the Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the Company and the original Company shall have no further responsibility hereunder.

SECTION 6. Dissemination Agent. The Company may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Company shall be the Dissemination Agent.

SECTION 7. Alternate Methods for Reporting. The Company may satisfy its obligation to make a filing with each Repository hereunder by transmitting the same to a Transmission Agent if and to the extent such Transmission Agent has received an interpretive advice from the Securities and Exchange Commission, which has not been withdrawn, to the effect that an undertaking to transmit a filing to such Transmission Agent for submission to each Repository is an undertaking described in the Rule.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Company and the Trustee may amend this Disclosure Agreement (and the Trustee shall agree to any amendment so requested by the Company) and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel, which may include bond counsel to the Issuer, expert in federal securities laws acceptable to both the Company and the Trustee to the effect that such amendment or waiver would not, in and of itself, violate the Rule. Without limiting the foregoing, the Company and the Trustee may amend this Disclosure Agreement if (a) such amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Company

or of the type of business conducted by the Company, (b) this Disclosure Agreement, as so amended, would have complied with the requirements of the Rule at the time the Bonds were issued, taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (c) (i) the Trustee receives an opinion of counsel, which may include bond counsel to the Issuer, expert in federal securities laws and acceptable to the Trustee to the effect that, the amendment does not materially impair the interests of the Owners of Bonds or (ii) the amendment is consented to by the Owners of Bonds as though it were an amendment to the Agreement pursuant to Section 1202 of the Agreement. The annual financial information containing the amended operating data or financial information will explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided. Neither the Trustee nor the Dissemination Agent shall be required to accept or acknowledge any amendment of this Disclosure Agreement if the amendment adversely affects its respective rights or immunities or increases its respective duties hereunder.

If the amendment pertains to the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall include a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information in order to provide information to investors to enable them to evaluate the ability of the Company to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. A notice of the change in the accounting principles shall be sent to each Repository.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Company from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Company chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Company shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Company or the Trustee to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of Owners of Bonds representing at least 25% in aggregate principal amount of Outstanding Bonds, shall), take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Company or the Trustee, as the case may be, to comply with its obligations under this Disclosure Agreement. Without regard to the foregoing, any Owner of Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Company or the Trustee, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Agreement or the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Company or the Trustee to comply with this Disclosure Agreement shall be an action for specific performance of the defaulting party's obligations hereunder and not for money damages in any amount.

SECTION 11. Duties, Immunities and Liabilities of Trustee and Dissemination Agent. Article VIII of the Agreement is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Agreement. The Dissemination Agent (if other than the Company) shall have only such duties as are specifically set forth in this Disclosure Agreement. The Company agrees, to the extent permitted by law, to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees and expenses) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Company under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Institution covenants that whenever it is serving as Dissemination Agent, it shall take any action required of the Dissemination Agent under this Disclosure Agreement.

SECTION 12. Obligations of Trustee. The Company and the Trustee hereby agree that the Trustee has no obligations hereunder to provide the Annual Report or any other information or any notices of the occurrence of

Listed Events, regardless of whether the Trustee has actual knowledge thereof, to any person listed herein or otherwise; provided however, that the foregoing shall not limit in any respect the obligations of the Trustee under Section 3(b) hereof. The Trustee is a party hereto in order to allow the Trustee to enforce the Company's duties herein for the benefit of the Owners of the Bonds.

SECTION 13. Disclaimer. No Annual Report or notice of a Listed Event filed by or on behalf of the Company under this Disclosure Agreement shall obligate the Company to file any information regarding matters other than those specifically described in Section 4 hereof, nor shall any such filing constitute a representation by the Company or raise any inference that no other material events have occurred with respect to the Company or the Bonds or that all material information regarding the Company or the Bonds has been disclosed. The Company shall have no obligation under this Disclosure Agreement to update information provided pursuant to this Disclosure Agreement except as specifically stated herein.

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Company, the Trustee, the Dissemination Agent, and the Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 16. Notices. Unless otherwise expressly provided, all notices to the Issuer, the Company, the Trustee, and the Dissemination Agent shall be in writing and shall be deemed sufficiently given if sent by registered or certified mail, postage prepaid, or delivered during a Business Day to such parties at the address specified in Section 1301 of the Agreement or, as to all of the foregoing, to such other address as the addressee shall have indicated by prior written notice to the one giving notice.

SECTION 17. Governing Law. This instrument shall be governed by the laws of the State of Florida.

IN WITNESS WHEREOF, the parties have caused this Disclosure Agreement to be duly executed all as of the date first above written.

TAMPA ELECTRIC COMPANY

By:/s/ Sandra W. Callahan
Sandra W. Callahan
Title: Vice President – Treasurer and Assistant Secretary

THE BANK OF NEW YORK TRUST COMPANY, N.A.,
as Trustee

By:/s/ Ethel G. White
Ethel G. White
Title: Vice President

EXHIBIT A
NATIONAL REPOSITORIES

Bloomberg Municipal Repository
100 Business Park Drive
Skillman, NJ 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
http://www.bloomberg.com/markets/rates/municontacts.html
Email: Munis@Bloomberg.com

DPC Data Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
http://www.dpcdata.com
Email: nrmsir@dpcdata.com

FT Interactive Data
Attn: NRMSIR
100 William Street, 15th Floor
New York, NY 10038
Phone: 212-771-6999; 800-689-8466
Fax: 212-771-7390
http://www.ftid.com
Email: NRMSIR@interactivedata.com

Standard & Poor's Securities Evaluations, Inc.
55 Water Street
45th Floor
New York, NY 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
www.disclosuredirectory.standardandpoors.com
Email: nrmsir_repository@sandp.com

Transmission Agent

Disclosure USA
P.O. Box 684667
Austin, Texas 78768-4667
www.DisclosureUSA.org

Digital Assurance Certification, L.L.C.
390 North Orange Avenue, Suite 1750
Orlando, Florida 32801
Phone: (407) 515-1100
Fax: (407) 515-6513
www.dacbond.com

EXHIBIT B

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Hillsborough County Industrial Development Authority

Name of Issue: Pollution Control Revenue Refunding Bonds (Tampa Electric Company Project), Series 2007

Date of Issuance: July 25, 2007

NOTICE IS HEREBY GIVEN that the Company has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated July 25, 2007 between the Company and the Trustee. The Company anticipates that the Annual Report will be filed by _____.

Dated:_____

TAMPA ELECTRIC COMPANY

cc: The Bank of New York Trust Company, N.A., as Trustee

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PROSPECTUS SUPPLEMENT
(To Prospectus dated March 7, 2006)

$150,000,000

TECO
TAMPA ELECTRIC

Tampa Electric Company

6.10% Notes due 2018

The notes will bear interest at the rate of 6.10% per year and will mature on May 15, 2018. We will pay interest on the notes on May 15 and November 15 of each year, beginning on November 15, 2008. We may redeem some or all of the notes from time to time. The redemption prices are described beginning on page S-10. There is no sinking fund for the notes.

The notes will be unsecured and will rank on parity with our other unsecured and unsubordinated indebtedness and will be effectively subordinated to our secured indebtedness.

Investing in the notes involves risks. See "Risk Factors" beginning on page S-3.

	Per Note	Total
Price to Public[1]	100%	$150,000,000
Underwriting Discounts and Commissions	0.65%	$ 975,000
Proceeds, before expenses, to Tampa Electric Company[1]	99.35%	$149,025,000

(1) Plus accrued interest, if any, from May 16, 2008.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The notes will not be listed on any securities exchange. Currently, there is no public market for the notes.

The underwriters expect to deliver the notes through the book-entry form facilities of The Depository Trust Company on or about May 16, 2008.

Joint Book-Running Managers

Morgan Stanley **BNP PARIBAS**

Co-Managers

Fifth Third Securities, Inc. **Morgan Keegan & Company, Inc.** **SOCIETE GENERALE** **Wedbush Morgan Securities Inc.**

The date of this prospectus supplement is May 13, 2008.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We and the underwriters have not authorized anyone to provide you with different information. If you receive any other information, you should not rely on it. We and the underwriters are not making an offer of these securities, or soliciting an offer to buy these securities, in any state where the offer or solicitation is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate as of any date other than the date of this prospectus supplement or the accompanying prospectus or the date of the document incorporated by reference.

TABLE OF CONTENTS

ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement is a supplement to the accompanying prospectus that also is part of this document. This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the Securities and Exchange Commission, or the SEC, using a "shelf" registration process. Under the shelf process, we may, from time to time, issue and sell to the public any combination of the securities described in the accompanying prospectus up to an indeterminate amount, of which this offering is a part. The first part of this document is the prospectus supplement, which describes the specific terms of the notes we are offering and certain other matters relating to us and our financial condition. The second part, the accompanying prospectus, gives more general information about securities we may offer from time to time, some of which does not apply to the notes we are offering. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

This prospectus supplement contains forward-looking statements. For a description of these statements and a discussion of the factors that may cause our actual results to differ materially from these statements, see "Cautionary Note Regarding Forward-Looking Statements" in the accompanying prospectus and "Risk Factors" beginning on page S-3.

In this prospectus supplement, "we," "our," "ours" and "us" refers to Tampa Electric Company, unless the context otherwise requires.

SUMMARY

This summary contains basic information that is important to you. The "Description of the Notes" section of this prospectus supplement contains more detailed information about the terms and conditions of the notes.

Tampa Electric Company

Tampa Electric Company is a wholly owned subsidiary of TECO Energy, Inc., or TECO Energy, an energy-related holding company. Other TECO Energy subsidiaries include TECO Coal, which owns and operates coal production facilities in Kentucky and Virginia, and TECO Guatemala, which is engaged in electric power generation and distribution and energy-related businesses in Guatemala. You can also read the reports filed by TECO Energy with the SEC for more information regarding its business, operating results and financial condition.

Tampa Electric Company is a public utility company. Its Tampa Electric division, or Tampa Electric, provides electric energy and related services to more than 668,000 residential, commercial and industrial customers in its West Central Florida service area covering approximately 2,000 square miles, including the City of Tampa and the surrounding areas. Tampa Electric has a total net winter generating capacity of 4,602 megawatts in operation.

Peoples Gas System, also a division of Tampa Electric Company, is engaged in the purchase, distribution and sale of natural gas. With a presence in most of Florida's major metropolitan areas, it serves more than 334,000 residential, commercial, industrial and electric power generation customers. Annual natural gas throughput (the amount of gas delivered to its customers, including transportation-only service) in 2007 was 1.4 billion therms.

The principal executive offices of Tampa Electric Company are located at TECO Plaza, 702 North Franklin Street, Tampa, Florida 33602, telephone (813) 228-1111.

The Offering

Issuer	Tampa Electric Company.
Notes Offered	$150,000,000 aggregate principal amount of 6.10% notes due 2018.
Maturity Date	May 15, 2018.
Interest Rate	The notes will bear interest at 6.10% per year from May 16, 2008 to, but excluding, May 15, 2018.
Interest Payment Dates	May 15 and November 15, commencing on November 15, 2008. Interest payments will be made to the persons in whose names the notes are registered on the 15th calendar day immediately preceding the applicable interest payment date.
Denominations	$1,000 with integral multiples of $1,000.
Optional Redemption	The notes will be redeemable, at our option, in whole or in part at any time, at the redemption prices described in "Description of the Notes—Optional Redemption."
Ranking	The notes will be unsecured and will rank on a parity with our other unsecured and unsubordinated indebtedness and will be effectively subordinated to our secured indebtedness. As of March 31, 2008, we had no secured indebtedness outstanding.
Use of Proceeds	We will use the net proceeds to repay short-term debt, if any, and for general corporate purposes. Pending such uses, we will invest the net proceeds in short-term money market instruments.
Additional Issuances	We may, without the consent of the holders of the notes, issue additional notes having the same ranking and the same interest rate, maturity and other terms as the notes. Any additional notes having such similar terms, together with the notes, may constitute a single series of notes under the indenture.
Form	The notes will be represented by registered global securities registered in the name of Cede & Co. the partnership nominee of the depositary, The Depository Trust Company, or DTC. Beneficial interests in the notes will be shown on, and transfers will be effected through, records maintained by DTC and its participants.
Trustee	The Bank of New York.
Governing Law	The indenture and the notes will be governed by and construed in accordance with the laws of the State of New York.
Risk Factors	See "Risk Factors" for a discussion of the risk factors you should carefully consider before deciding to invest in the notes.

RISK FACTORS

In deciding whether to purchase the notes, you should consider carefully the following factors that could cause our operating results and financial condition to be materially adversely affected. You should also consider the other factors that could cause the consolidated operating results and financial condition of our parent, TECO Energy, included in Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2007, which we file jointly with TECO Energy, as updated by our and TECO Energy's filings with the SEC.

Financing Risks

We have substantial indebtedness, and expect to incur additional debt in the future, which could adversely affect our financial condition and financial flexibility.

We have significant indebtedness, which has resulted in fixed charges we are obligated to pay, and expect to incur additional debt in the future to finance a portion of our forecasted capital expenditures. The level of our indebtedness could limit our ability to obtain additional financing.

We must meet certain financial tests as defined in the applicable agreements to use our credit facilities. Also, we have certain restrictive covenants in specific agreements and debt instruments. These restrictive covenants could further limit our ability to obtain additional financing.

As of March 31, 2008, we were in compliance with required financial covenants, but we cannot assure you that we will be in compliance with these financial covenants in the future. Our failure to comply with any of these covenants or to meet our payment obligations could result in an event of default which, if not cured or waived, could result in the acceleration of other outstanding debt obligations. We may not have sufficient working capital or liquidity to satisfy our debt obligations in the event of an acceleration of all or a portion of our outstanding obligations.

Our financial condition and results could be adversely affected if our capital expenditures are greater than forecast.

We are forecasting higher levels of capital expenditures for compliance with our environmental consent decree, to support normal customer growth, to comply with the design changes mandated by the Florida Public Service Commission, or the FPSC, to harden transmission and distribution facilities against hurricane damage, to improve transmission and distribution system reliability, to improve coal-fired generating unit reliability, and to install peaking combustion turbines to meet peaking capacity needs. We plan to meet our 2013 baseload generating need at Tampa Electric with a combined cycle natural gas plant with an estimated capital cost of approximately $550 million, excluding allowance for funds used during construction.

We expect to incur additional debt to finance a portion of these expenditures. If we are unable to maintain capital expenditures at the forecasted levels, we may need to draw on credit facilities or further access the capital markets, increasing the risk of borrowing on unfavorable terms. We cannot be sure that we will be able to obtain additional financing, in which case our financial position, earnings and credit ratings could be adversely affected.

Our financial condition and ability to access capital may be materially adversely affected by ratings downgrades and we cannot be assured of any rating improvements in the future.

Our senior unsecured debt is rated by S&P at BBB- with a stable outlook, by Moody's at Baa2 with a positive outlook and by Fitch at BBB+ with a stable outlook. Any downgrades by the rating agencies may affect our ability to borrow, may change requirements for future collateral or margin postings, and may increase our financing costs, which may decrease our earnings. We also may experience greater interest expense than we may have otherwise if, in future periods, we replace maturing debt with new debt bearing higher interest rates due to any such downgrades. In addition, downgrades could adversely affect our relationships with customers and counterparties.

At current ratings, Tampa Electric and Peoples Gas System are able to purchase electricity and gas without providing collateral. If our ratings declined to below investment grade, Tampa Electric and Peoples Gas System could be required to post collateral to support their purchases of electricity and gas.

General Business and Operational Risks

General economic conditions may adversely affect our businesses.

Our business is affected by general economic conditions. In particular, the projected growth of our service area and in Florida is important to the realization of our forecasts for annual energy sales growth. An unanticipated downturn or a failure of market conditions to improve, such as the current slowdown in the housing markets or in the local area's or in Florida's economy, could adversely affect our expected performance.

Potential competitive changes may adversely affect our regulated electric and gas businesses.

The U.S. electric power industry has been undergoing restructuring. Competition in wholesale power sales has been introduced on a national level. Some states have mandated or encouraged competition at the retail level and, in some situations, required divestiture of generating assets. While there is active wholesale competition in Florida, the retail electric business has remained substantially free from direct competition. Although not expected in the foreseeable future, changes in the competitive environment occasioned by legislation, regulation, market conditions or initiatives of other electric power providers, particularly with respect to retail competition, could adversely affect Tampa Electric's business and its expected performance.

The gas distribution industry has been subject to competitive forces for several years. Gas services provided by Peoples Gas System are now unbundled for all non-residential customers. Because Peoples Gas System earns margins on distribution of gas but not on the commodity itself, unbundling has not negatively impacted Peoples Gas System's results. However, future structural changes that we cannot predict could adversely affect Peoples Gas System.

Our businesses are highly regulated, and any changes in regulations or the regulatory environment could lower revenues or increase costs or competition.

Tampa Electric and Peoples Gas System operate in highly regulated industries. Our retail operations, including the prices charged, are regulated by the FPSC, and Tampa Electric's wholesale power sales and transmission services are subject to regulation by the Federal Energy Regulatory Commission, or FERC. Changes in regulatory requirements or adverse regulatory actions could have an adverse effect on Tampa Electric's or Peoples Gas System's financial performance by, for example, increasing competition or costs, threatening investment recovery or impacting rate structure.

Peoples Gas System is currently earning below the bottom of its allowed ROE range, and our earnings may decrease and we may not be able to earn our allowed return on equity, or ROE, with the current base rates.

Peoples Gas System is currently earning below the bottom of its allowed ROE range. Further, our profitability may decrease and we may not be able to earn within our allowed ROE range under our current base rates due to higher recurring capital spending, primarily in the transmission and distribution areas, and generally higher levels of non-fuel operations and maintenance spending, even without the construction of new generating capacity. Peoples Gas expects to file for base rate relief in 2008.

Our financial results could be adversely affected if the base rate proceedings we expect do not have the expected outcomes.

We expect to seek base rate increases for both our Tampa Electric and Peoples Gas divisions to recover higher levels of non-fuel operations and maintenance spending and increased level of capital investments in

facilities and infrastructure. While the FPSC has a history of constructive regulation, we cannot predict the outcome of any such regulatory proceeding. If a base rate increase is not granted or if the allowed ROE is reduced, our financial results could be adversely affected.

Changes in the environmental laws and regulations affecting our businesses could increase our costs or curtail our activities.

Our businesses are subject to regulation by various governmental authorities dealing with air, water and other environmental matters. Changes in compliance requirements or the interpretation by governmental authorities of existing requirements may impose additional costs on us or require us to curtail some of our businesses' activities.

There is increasing debate and discussion regarding the regulation of greenhouse gas, or GHG, emissions and some states have already proposed or enacted regulations relating to these emissions, which, if enacted, could increase our costs or the costs of our customers, which could impact our sales.

We have a significant number of stationary sources with air emissions. The form of any GHG emission regulation, either federal or state, is unknown at this time and potential costs to reduce GHG emissions are unknown. Presently there is no viable technology to remove CO_2 post-combustion from conventional coal-fired units such as our Big Bend units.

Regulation in Florida allows utility companies to recover from customers prudently incurred costs for compliance with new environmental regulations. We would expect to recover from customers the costs of power plant modifications or other costs required to comply with new GHG emission regulation, but increased costs for electricity may cause customers to change usage patterns, which would impact our sales. If the regulation allowing cost recovery is changed and the cost of compliance is not recovered through the Environmental Cost Recovery Clause, we could seek to recover those costs through a base-rate proceeding, but we cannot predict whether the FPSC would grant such recovery.

The significant, phased reductions in GHG emissions called for by the executive orders signed by the governor of Florida in 2007 could add to our costs and adversely affect our operating results.

In 2007, the governor of Florida signed three executive orders aimed at reducing GHG in the state. The executive orders call for GHG emissions by the utility sector in Florida of not greater than 2000 levels by 2017, not greater than 1990 levels by 2025, and not greater than 20% of 1990 levels by 2050. Although we believe our repowering of the coal-fired Gannon Station to the natural gas-fired H. L. Culbreath Bayside Station should position us well to meet the 2017 target, we are still evaluating whether we will be able to meet the 2025 and 2050 targets.

The executive orders charge the Florida Department of Environmental Protection (FDEP) with developing detailed rules to implement these emissions limits. The FDEP has started the rule making process, but it is expected to take an extended period of time to reach completion. Until the final rules are developed, the impact on us and our customers cannot be determined. However, if the final rules result in increased costs to us, or further changes in customer usage patterns in response to higher rates, our operating results could be adversely affected.

The Florida legislature recently passed legislation implementing aspects of the executive orders. The legislation, which is awaiting the governor's signature, directs the FPSC and FDEP to study and develop proposals for the major initiatives regarding renewable energy portfolio and carbon cap and trade, respectively, with additional legislative action required in 2009 and 2010 for final approval.

A mandatory renewable energy portfolio standard could add to our costs and adversely affect our operating results.

In connection with the executive orders signed by the Governor of Florida in July 2007, the FPSC was tasked with evaluating a renewable portfolio target of 20% by 2020. In addition, there is proposed legislation in the U.S. Congress to introduce a renewable energy portfolio standard at the federal level. It remains unclear, however, if or when action on such legislation would be completed. We could incur significant costs to comply

with a renewable energy portfolio standard, as proposed. Our operating results could be adversely affected if we were not permitted to recover these costs from customers, or if customers change usage patterns in response to increased rates.

We, the State of Florida and the nation as a whole are increasingly dependent on natural gas to generate electricity. There may not be adequate infrastructure to deliver adequate quantities of natural gas to meet the expected future demand and the expected higher demand for natural gas may lead to increasing costs for the commodity.

The deferral of our IGCC unit and the cancellation of numerous proposed coal-fired generating stations in Florida and across the United States in response to GHG emissions concerns will lead to an increasing reliance on natural gas-fired generation to meet the growing demand for electricity. Currently there is an adequate supply and infrastructure to meet demand for natural gas in Florida and nationally. There is, however, uncertainty regarding whether the available supply of both domestic and imported natural gas and the existing infrastructure to transport the natural gas into and within Florida are adequate to meet the projected increased demand.

If supplies are inadequate or if significant new investment is required to install the pipelines necessary to transport the gas, the cost of natural gas could rise. Currently our businesses are allowed to pass the cost for the commodity gas and transportation services through to the customer without profit. Changes in regulations could reduce our businesses' earnings if they required us to bear a portion of the increased cost.

Our businesses are sensitive to variations in weather and the effects of extreme weather, and have seasonal variations.

Our business is affected by variations in general weather conditions and unusually severe weather. Our energy sales are particularly sensitive to variations in weather conditions. We forecast energy sales on the basis of normal weather, which represents a long-term historical average. Significant variations from normal weather could have a material impact on energy sales. Unusual weather, such as hurricanes, could adversely affect operating costs and sales and cause damage to our facilities, requiring additional costs to repair.

Peoples Gas System, which has a typically short but significant winter peak period that is dependent on cold weather, is more weather-sensitive than Tampa Electric, which has both summer and winter peak periods. Mild winter weather in Florida can be expected to negatively impact results at Peoples Gas System.

Commodity price changes may affect the operating costs and competitive positions of our businesses.

Our businesses are sensitive to changes in coal, gas, oil and other commodity prices. Any changes could affect the prices these businesses charge, their operating costs and the competitive position of their products and services.

In the case of Tampa Electric, fuel costs used for generation are affected primarily by the cost of coal and natural gas. Tampa Electric is able to recover prudently incurred costs of fuel through retail customers' bills, but increases in fuel costs affect electric prices and, therefore, the competitive position of electricity against other energy sources.

The ability to make sales and the margins earned on wholesale power sales are affected by the cost of fuel to Tampa Electric, particularly as it compares to the costs of other power producers.

In the case of Peoples Gas System, costs for purchased gas and pipeline capacity are recovered through retail customers' bills, but increases in gas costs affect total retail prices, and therefore, the competitive position of Peoples Gas System relative to electricity, other forms of energy and other gas suppliers.

Changes in customer energy usage patterns may affect our sales.

The average energy usage per residential customer declined in 2006 and 2007. We believe that this was in response to mild weather, higher energy prices reflected both through the fuel charge on bills and for higher energy prices in general, increased appliance efficiency, and to changes in residential construction patterns in our service area. In addition, the current slowdown in the Florida housing market has increased the number of vacant residences, which have active meters but minimal energy consumption.

Our forecasts are based on normal weather patterns and long-term historical trends in customer energy use patterns. Our ability to increase energy sales and earnings could be negatively impacted if energy prices increase in general and customers continue to use less energy in response to higher energy prices.

The number of new multi-family homes has increased relative to traditional detached single-family homes in 2006 and 2007. New multi-family residential construction tends to be smaller and more energy efficient than traditional detached residences; therefore, the per-residential customer usage is lower for these residences. The number of multi-family building permits issued in our service area increased in 2007 compared to detached single-family residences, which indicates that this trend may continue. A higher percentage of multi-family residences may cause a further decline in per-residential customer usage.

We rely on some transmission and distribution assets that we do not own or control to deliver wholesale electricity, as well as natural gas. If transmission is disrupted, or if capacity is inadequate, our ability to sell and deliver electricity and natural gas may be hindered.

We depend on transmission and distribution facilities owned and operated by other utilities and energy companies to deliver the electricity and natural gas we sell to the wholesale and retail markets, as well as the natural gas we purchase for use in our electric generation facilities. If transmission is disrupted, or if capacity is inadequate, our ability to sell and deliver products and satisfy our contractual and service obligations may be hindered.

The FERC has issued regulations that require wholesale electric transmission services to be offered on an open-access, non-discriminatory basis. Although these regulations are designed to encourage competition in wholesale market transactions for electricity, there is the potential that fair and equal access to transmission systems will not be available or that sufficient transmission capacity will not be available to transmit electric power as we desire. We cannot predict the timing of industry changes as a result of these initiatives or the adequacy of transmission facilities. Likewise, unexpected interruption in upstream natural gas supply or transmission could affect our ability to generate power or deliver natural gas to local distribution customers.

Problems with operations could cause us to incur substantial costs.

We are subject to various operational risks, including accidents, or equipment failures and operations below expected levels of performance or efficiency. As an operator of power generation facilities, we could incur problems such as the breakdown or failure of power generation equipment, transmission lines, pipelines or other equipment or processes that would result in performance below assumed levels of output or efficiency. Our outlook assumes normal operations and normal maintenance periods for our facilities.

We are a party from time to time to legal proceedings that may result in a material adverse effect on our financial condition.

From time to time, we are a party to, or otherwise involved in, lawsuits, claims, proceedings, investigations and other legal matters that have arisen in the ordinary course of conducting our business. While the outcome of these lawsuits, claims, proceedings, investigations and other legal matters which we are a party to, or otherwise involved in, cannot be predicted with certainty, any adverse outcome to lawsuits against us may result in a material adverse effect on our financial condition.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratio of earnings to fixed charges for the periods indicated.

	Three Months Ended March 31, 2008	Twelve Months Ended March 31, 2008	Year Ended December 31,				
			2007	2006	2005	2004	2003
Ratio of Earnings to Fixed Charges	2.20x	3.01x	3.12x	3.12x	3.50x	3.45x	2.71x[1]

(1) Includes the effect of a $79.6 pretax charge recorded in the first quarter of 2003 related to turbine purchase cancellations, the effect of which was to reduce the ratio.

For the purposes of calculating these ratios, earnings consist of income from continuing operations before income taxes and fixed charges. Fixed charges consist of interest expense on indebtedness, amortization of debt premium and an estimate of the interest component of rentals. Interest expense includes total interest expense, excluding Allowance for Funds Used During Construction, and an estimate of the interest component of rentals.

CAPITALIZATION

The following table summarizes the historical capitalization of Tampa Electric Company at March 31, 2008 and its capitalization as adjusted to reflect the issuance and sale of notes contemplated by this prospectus supplement based on estimated net proceeds of $148.7 million and our application of the net proceeds in the manner described in "Use of Proceeds."

	March 31, 2008	
	Actual Amounts	As Adjusted
	($ in millions)	
Cash and cash equivalents	$ 7.9	$ 138.6
Short-term debt	18.0	—
Long-term debt due within one year	5.7	5.7
Long-term debt, less amount due within one year	1,749.9	1,899.9
Total debt	1,773.6	1,905.6
Common equity	1,927.6	1,927.6
Total capitalization	$3,701.2	$3,833.2

USE OF PROCEEDS

We estimate that the net proceeds (after deducting underwriting discounts and commissions and estimated offering expenses) from this offering will be approximately $148.7 million. We expect to use the net proceeds from this offering to repay short-term debt and for general corporate purposes. We will use a portion of the net proceeds from this offering to repay in full the amount, if any, drawn on our unsecured credit facility as of the closing date of this offering. We will use the remaining amount of net proceeds, in lieu of cash from sales of accounts receivable of Tampa Electric Company under our accounts receivable credit facility, to pay operating expenses of Tampa Electric Company, which has the effect of repaying our accounts receivable credit facility as accounts receivable are collected. As of the close of business on May 8, 2008, no amount was drawn on either our unsecured credit facility or our accounts receivable credit facility. The amounts drawn on our unsecured credit facility and on our accounts receivable credit facility and the respective interest rates on those amounts, could fluctuate daily. Our unsecured credit facility matures May 9, 2012 and our accounts receivable credit facility matures December 19, 2008. Pending such uses, we will invest the net proceeds in short-term money market instruments.

DESCRIPTION OF THE NOTES

The following description of the particular terms of the notes that we are offering supplements the description of the general terms of the debt securities under the caption "Description of Debt Securities of Tampa Electric Company" in the accompanying prospectus.

The following summaries of certain provisions of the indenture do not purport to be complete, and are subject to, and are qualified in their entirety by reference to, the provisions of the indenture dated as of July 1, 1998, as amended by a third supplemental indenture thereto between us and The Bank of New York, as trustee, and as amended and supplemented by a seventh supplemental indenture thereto between us and The Bank of New York, as trustee, which has been filed with the SEC as an exhibit to the Registration Statement of which the prospectus forms a part. The indenture provides for the issuance from time to time of various series of debt securities, including the notes.

For purposes of the following description, unless otherwise indicated, a business day is any day that is not (i) a day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close, or (ii) a day on which the Corporate Trust Office of the Trustee is closed for business.

General

The initial aggregate principal amount of the notes offered under this prospectus is $150,000,000. The notes will mature on May 15, 2018.

The notes will bear interest at 6.10% per year (computed based on a 360-day year consisting of twelve 30-day months) for the period from May 16, 2008 to, but excluding, May 15, 2018. Interest on the notes will be payable semi-annually on May 15 and November 15 of each year, commencing November 15, 2008. Interest payments will be made to the persons in whose names the notes are registered on the 15th calendar day (whether or not a business day) immediately preceding the related interest payment date.

The notes do not have a sinking fund. We may, without the consent of the holders of the notes, issue additional notes having the same ranking and the same interest rate, maturity and other terms, and the same CUSIP number, as the notes. Any additional notes having such similar terms, together with the notes, may constitute a single series of notes under the indenture.

Ranking

The notes will be our unsubordinated and unsecured obligations and will rank equally in right of payment with all of our other unsubordinated and unsecured indebtedness. The notes will not limit other indebtedness or securities that we or any of our subsidiaries may incur or issue or contain financial or similar restrictions on us or any of our subsidiaries. The notes will be effectively subordinated to our secured indebtedness to the extent of the collateral securing those obligations. Holders of secured indebtedness will have prior claim to those of our assets that constitute their collateral in the event of any distribution or payment of our assets in any foreclosure, dissolution, winding-up, liquidation, reorganization or other bankruptcy proceeding. As a result, you may receive less, ratably, than holders of secured indebtedness.

Form

The notes will be issued in fully registered form, without coupons, in minimum denominations of $1,000 or integral multiples of $1,000 in excess thereof. The notes will be initially issued as global securities. See "—Book-Entry, Delivery and Form" below for additional information concerning the notes and the book-entry system. The Depository Trust Company, or DTC, will be the depositary with respect to the notes. We will make all payments of principal and interest in immediately available funds to DTC in the City of New York.

Optional Redemption

We may redeem all or any part of the notes at our option at any time and from time to time at a redemption price equal to the greater of:

- 100% of the principal amount of the notes then outstanding to be redeemed, or
- the sum of the present values of the remaining scheduled payments of principal and interest on the notes then outstanding to be redeemed (not including any portion of such payments of interest accrued as of the redemption date) discounted to the redemption date on a semiannual basis (computed based on a 360-day year consisting of twelve 30-day months) at the Treasury Rate, plus 35 basis points (0.35%), as calculated by an Independent Investment Banker,

plus, in either of the above cases, accrued and unpaid interest thereon to the redemption date.

We will mail a notice of redemption at least 30 days but no more than 60 days before the redemption date to each holder of notes to be redeemed. If we elect to partially redeem the notes, the trustee will select in a fair and appropriate manner the notes to be redeemed.

Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the notes or portions thereof called for redemption.

"*Comparable Treasury Issue*" means with respect to any redemption date the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the notes to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the notes. If the remaining term of the notes to be redeemed is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"*Comparable Treasury Price*" means (1) the average of five Reference Treasury Dealer Quotations for the redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if an Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

"*Independent Investment Banker*" means any of Morgan Stanley & Co. Incorporated, BNP Paribas Securities Corp., or any of their respective successors, as designated by us, or if all of those firms are unwilling or unable to serve as such, an independent investment and banking institution of national standing appointed by us.

"*Reference Treasury Dealer*" means:

- Morgan Stanley & Co. Incorporated, BNP Paribas Securities Corp. or their affiliates and each of their respective successors; provided that if any of them ceases to be a primary U.S. Government securities dealer in New York City (a "Primary Treasury Dealer"), we will substitute another Primary Treasury Dealer; and
- up to three other Primary Treasury Dealers selected by us.

"*Reference Treasury Dealer Quotations*" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by an Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to an Independent Investment Banker at 3:30 p.m., New York City time, on the third business day preceding such redemption date.

"*Treasury Rate*" means, as of any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity (computed as of the second business day immediately proceeding that redemption date) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that redemption date.

Book-Entry, Delivery and Form

The notes will be issued in global form. Each global note will be deposited on the date of the closing of the sale of the notes with, or on behalf of, DTC and registered in the name of Cede & Co., as DTC's nominee.

So long as DTC, or its nominee, is the registered owner of a global note, DTC or its nominee, as the case may be, will be considered the owner of such global note for all purposes under the indenture, including for any notices and voting. Except in limited circumstances, the owners of beneficial interests in a global security:

- will not be entitled to have securities registered in their names,
- will not receive or be entitled to receive physical delivery of any such securities, and
- will not be considered the registered holder thereof under the indenture.

Accordingly, each person holding a beneficial interest in a global note must rely on the procedures of DTC and, if such person is not a direct participant, on procedures of the direct participant through which such person holds its interest, to exercise any of the rights of a registered owner of such note.

Global notes may be exchanged in whole for certificated securities only if:

- DTC notifies us that it is unwilling or unable to continue as depository for the global notes or the depository has ceased to be a clearing agency registered under the Securities Exchange Act of 1934 and, in either case, we fail to appoint a successor depository within 90 days;
- we, in our sole discretion, notify the trustee in writing that we elect to cause the issuance of certificated securities; or
- there has occurred and is continuing an event of default under the indenture.

The following is based solely on information furnished by DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants deposit with DTC. DTC also facilitates the settlement among participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and other similar organizations. DTC is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to indirect participants such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The rules applicable to DTC and its participants are on file with the SEC. More information about DTC can be found at www.dtcc.com and www.dtc.org. The references to DTC's websites are not intended to incorporate information on those websites into this prospectus by reference.

Purchases of notes under the DTC system must be made by or through direct participants, which will receive a credit for the notes on DTC's records. The ownership interest of each actual purchaser of each note is in turn to be recorded on the direct and indirect participants' records. These beneficial owners will not receive written confirmation from DTC of their purchase, but beneficial owners are expected to receive a written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the direct or indirect participants through which the beneficial owner entered into the transaction. Transfers of ownership interests in the notes are to be accomplished by entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in notes, except in the event that use of the book-entry system for the notes is discontinued.

To facilitate subsequent transfers, all notes deposited by participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of notes with DTC and their registration in the name of Cede & Co. will effect no change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the notes; DTC's records reflect only the identity of the direct participants to whose accounts the notes are credited, which may or may not be the beneficial owners. The participants will remain responsible for keeping account of their holdings on behalf of their customers.

Delivery of notices and other communications by DTC to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices will be sent to DTC. If less than all of the notes are being redeemed, DTC's practice is to determine by lot the amount of the interest of each direct participant in the issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to the notes. Under its usual procedures, DTC mails an omnibus proxy to Tampa Electric Company as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those direct participants to whose accounts the notes are credited on the record date (identified in a listing attached to the omnibus proxy).

Principal and interest payments on the notes will be made to Cede & Co., as nominee of DTC. DTC's practice is to credit direct participants' accounts, upon DTC's receipt of funds and corresponding detail information from Tampa Electric Company or the trustee, on the applicable payable date in accordance with their respective holdings shown on DTC's records. Payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers registered in "street name," and will be the responsibility of that participant and not of DTC, the trustee or Tampa Electric Company, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. is Tampa Electric Company's or the trustee's responsibility, disbursement of payments to direct participants shall be the responsibility of DTC, and disbursement of payments to beneficial owners is the responsibility of direct and indirect participants.

A beneficial owner must give notice to elect to have its notes purchased or tendered, through its participant, to a tender agent, and shall effect delivery of notes by causing the direct participants to transfer the participant's interest in the notes, on DTC's records, to a tender agent. The requirement for physical delivery of notes in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the notes are transferred by direct participants on DTC's records and followed by a book-entry credit of tendered notes to the tender agent's account.

DTC may discontinue providing its services as securities depository with respect to the notes at any time by giving reasonable notice to Tampa Electric Company or the trustee. Under these circumstances, in the event Tampa Electric Company does not appoint a successor securities depository, notes certificates will be printed and delivered.

Tampa Electric Company may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Tampa Electric Company believes to be reliable, but Tampa Electric Company takes no responsibility for their accuracy.

The Trustee

The Trustee is The Bank of New York, which maintains banking relationships with us and our affiliates in the ordinary course of business and serves as trustee under other indentures with us and some of our affiliates. The trustee also is a party to our unsecured credit facility. If the trustee acquires any conflicting interest (within the meaning of the Trust Indenture Act), it will be required to eliminate the conflict or resign.

UNDERWRITING

Morgan Stanley & Co. Incorporated and BNP Paribas Securities Corp. are acting as joint book-running managers of the offering and are acting as representatives of the underwriters named below. Subject to the terms and conditions specified in an underwriting agreement dated the date of this prospectus supplement, each underwriter named below has, severally and not jointly, agreed to purchase, and we have agreed to sell to that underwriter, severally and not jointly, the principal amount of the notes set forth opposite the underwriter's name below.

Underwriter	Principal Amount of Notes
Morgan Stanley & Co. Incorporated	$52,500,000
BNP Paribas Securities Corp.	$52,500,000
Fifth Third Securities, Inc.	$11,250,000
Morgan Keegan & Company, Inc.	$11,250,000
SG Americas Securities, LLC	$11,250,000
Wedbush Morgan Securities Inc.	$11,250,000
Total	$150,000,000

UnionBanc Investment Services LLC, a Financial Industry Regulatory Authority member and subsidiary of Union Bank of California, N.A., is being paid a referral fee by Wedbush Morgan Securities Inc.

The underwriting agreement provides that the obligations of the underwriters to purchase the notes included in this offering are subject to approval of legal matters by counsel, including the validity of the notes, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part. The underwriters are obligated to purchase all of the notes if they purchase any of the notes. The underwriting agreement also provides that if one or more underwriters default on their purchase commitments and the amount to which the default relates does not exceed 10% of the aggregate principal amount of the notes, the purchase commitment of the non-defaulting underwriters shall be correspondingly increased. To the extent the amount to which the default relates exceeds 10% of the aggregate principal amount of the notes, the underwriting agreement shall be terminated.

The underwriters propose to offer the notes directly to the public at the public offering price set forth on the cover page of this prospectus supplement, and to dealers at the public offering price less a concession not to exceed 0. % of the principal amount of the notes. The underwriters may allow, and the dealers may reallow, a concession not to exceed 0. % of the principal amount of the notes on sales to other dealers. After the initial public offering, the representatives may change the public offering price and concessions.

The notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the notes on any national securities exchange or for quotation of the notes on any automated dealer quotation system. The underwriters have advised us that they intend to make a market in the notes after the offering, although they are under no obligation to do so. The underwriters may discontinue any market-making activities at any time without any notice. We can give no assurance as to the liquidity of the trading market for the notes or that a public trading market for the notes will develop. If no active public trading market develops, the market price and liquidity of the notes may be adversely affected. If the notes are traded, they may trade at a discount from their initial offering price, depending on factors such as prevailing interest rates, the market for similar securities and our performance, as well as other factors not listed here.

We estimate that our share of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately $336,750.

In connection with the offering, the underwriters may purchase and sell the notes in the open market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment involves syndicate sales of notes in excess of the principal amount of notes to be purchased by the underwriters in the offering, which creates a syndicate short position. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover syndicate short positions. Stabilizing transactions consist of certain bids or purchases of notes made for the purpose of preventing or retarding a decline in the market price of the notes while the offering is in progress.

The underwriters also may impose a penalty bid. Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when the underwriting syndicate, in covering syndicate short positions or making stabilizing purchases, repurchases notes originally sold by that syndicate member.

Any of these activities may have the effect of preventing or retarding a decline in the market price of the notes. They may also cause the price of the notes to be higher than the price that otherwise might exist in the open market in the absence of these transactions. The underwriters may conduct these transactions in the over-the-counter market or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time.

We and the underwriters make no representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the notes. In addition, we and the underwriters make no representation that the underwriters will engage in those types of transactions or that those transactions, once commenced, will not be discontinued without notice.

The underwriters, and some of their affiliates, have performed investment banking, financial advisory, commercial banking and other services for us and our affiliates from time to time for which they have received customary fees and expenses. The underwriters may, from time to time, engage in transactions with and perform services for us in the ordinary course of business, for which they will receive customary fees and commissions in connection with these services.

A prospectus in electronic format may be made available on the websites maintained by one or more of the underwriters.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriters may be required to make because of any of those liabilities.

LEGAL MATTERS

Edwards Angell Palmer & Dodge LLP, Boston, Massachusetts will pass upon the validity of the notes offered hereby. Certain matters will be passed upon for the underwriters by Ropes & Gray LLP.

EXPERTS

The financial statements and financial statement schedule of Tampa Electric Company incorporated in this prospectus by reference to Amendment No. 1 to the Annual Report on Form 10-K for the year ended December 31, 2007 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered certified public accounting firm, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

Tampa Electric Company is subject to the reporting requirements of the Securities Exchange Act of 1934 and files reports and other information with the SEC. You may read and copy any of these documents at the SEC's public reference room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our SEC filings are also available on the SEC's website at www.sec.gov. Copies of certain information filed by us with the SEC are also available on TECO Energy's website at www.tecoenergy.com. Our website is not part of this prospectus supplement or the accompanying prospectus. You may request a copy of the registration statement, including the exhibits to the registration statement, at no cost by writing or calling us at the address provided below under "Incorporation by Reference."

INCORPORATION BY REFERENCE

We "incorporate by reference" into this prospectus supplement certain information we file with the SEC, which means that we are disclosing important information to you by referring you to another document. Any information incorporated by reference is an important part of this prospectus supplement. Any reports filed by us with the SEC after the date of this prospectus supplement and before the date that the offering of the securities by means of this prospectus supplement is terminated will automatically update and, where applicable, supersede any information contained in this prospectus supplement or incorporated by reference in this prospectus supplement. We incorporate by reference into this prospectus supplement the documents listed below, which we have filed with the SEC, and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, on or after the date of this prospectus and before the termination of this offering; *except that*, unless we indicate otherwise, we do not incorporate any information furnished under Item 2.02 or Item 7.01 of any Current Report on Form 8-K:

- Our Annual Report on Form 10-K for the fiscal year ended December 31, 2007;
- Our Amendment No. 1 to the Annual Report on Form 10-K for the fiscal year ended December 31, 2007;
- Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2008;
- Our Current Report on Form 8-K filed on February 25, 2008; and
- Our Current Report on Form 8-K filed on March 28, 2008.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address:

Director of Investor Relations
TECO Energy, Inc.
702 North Franklin Street
Tampa, Florida 33602
(813) 228-1111

You should rely only on the information incorporated by reference or provided in this prospectus supplement, the accompanying prospectus or any other supplement or term sheet. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in prospectus supplement, the accompanying prospectus or any other supplement or term sheet is accurate as of any date other than the date on the front of these documents.

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TECO ENERGY, INC.

Debt Securities
Preferred Stock
Common Stock
Stock Purchase Contracts
Stock Purchase Units
Warrants

TAMPA ELECTRIC COMPANY

Debt Securities

TECO Energy, Inc. may offer from time to time to sell debt securities consisting of debentures, notes or other evidences of indebtedness, preferred stock, common stock, stock purchase contracts, stock purchase units, and warrants or other rights to purchase common stock, preferred stock or debt securities. The debt securities may be senior, pari passu or subordinated to other indebtedness of ours. The debt securities, preferred stock, warrants and purchase contracts may be convertible into or exercisable or exchangeable for common or preferred stock or other securities of ours or debt or equity securities of one or more other entities.

Tampa Electric Company may offer from time to time to sell debt securities consisting of debentures, notes or other evidences of indebtedness.

TECO Energy, Inc.'s common stock trades on the New York Stock Exchange under the symbol "TE".

This prospectus provides you with a general description of the securities we may offer. We may offer the securities as separate series, in amounts, prices and on terms determined at the time of the sale. When we offer securities, we will provide a prospectus supplement or a term sheet describing the terms of the specific issue, including the offering price of the securities. **You should read both this prospectus and any prospectus supplement or term sheet, together with the additional information described under the heading "WHERE YOU CAN FIND MORE INFORMATION" beginning on page 1 of this prospectus, before you make your investment decision.**

We may offer and sell these securities to or through one or more underwriters, dealers or agents, or directly to investors, on a continuous or delayed basis.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This prospectus may not be used to sell securities unless accompanied by a prospectus supplement.

The date of this prospectus is March 7, 2006

TECO Energy, Inc. and Tampa Electric Company •702 North Franklin Street •Tampa, Florida 33602 •(813) 228-1111

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or the "SEC," using a "shelf" registration process. Under the shelf process, we may, from time to time, issue and sell to the public any combination of the securities described in the registration statement in one or more offerings. This prospectus is a part of the registration statement and does not contain all the information in the registration statement. Whenever a reference is made in this prospectus to one of our contracts or other documents, the reference is only a summary and you should refer to the exhibits that are a part of the registration statement for a copy of the contract or other document. You may review a copy of the registration statement at the SEC's public reference room in Washington, D.C., as well as through the SEC's website as indicated below under the heading "Where You Can Find More Information."

In this prospectus, "we", "our", "ours" and "us" refer to TECO Energy, Inc. and Tampa Electric Company unless otherwise specified or the context requires otherwise.

WHERE YOU CAN FIND MORE INFORMATION

Both TECO Energy and Tampa Electric Company are subject to the reporting requirements of the Securities Exchange Act of 1934 and file reports and other information with the SEC. You may read and copy any of these documents at the SEC's public reference room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our SEC filings are also available on the SEC's website at www.sec.gov. Copies of certain information filed by each of us with the SEC are also available on TECO Energy's website at www.tecoenergy.com. Our website is not part of this prospectus. You may request a copy of the registration statement, including the exhibits to the registration statement, at no cost by writing or calling us at the address provided below under "Incorporation by Reference."

INCORPORATION BY REFERENCE

We "incorporate by reference" into this prospectus certain information we file with the SEC, which means that we are disclosing important information to you by referring you to another document. Any information incorporated by reference is an important part of this prospectus. Any reports filed by us with the SEC after the date of this prospectus and before the date that the offering of the securities by means of this prospectus is terminated will automatically update and, where applicable, supersede any information contained in this prospectus or incorporated by reference in this prospectus. We incorporate by reference into this prospectus the documents listed below, which we have filed with the SEC, and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, on or after the date of this prospectus and before the termination of this offering; *except that*, unless we indicate otherwise, we do not incorporate any information furnished under Item 2.02 or Item 7.01 of any Current Report on Form 8-K:

- Combined Annual Report on Form 10-K of TECO Energy and Tampa Electric Company for the fiscal year ended December 31, 2005;
- Description of TECO Energy's common stock contained in TECO Energy's Registration Statement on Form 8-B, filed on July 13, 1981 (File No. 1-8180), including any amendment or reports filed for the purpose of updating such description;
- Combined Current Report on Form 8-K of TECO Energy and Tampa Electric Company filed on January 31, 2006; and
- Tampa Electric Company's Current Report on Form 8-K filed on January 20, 2006.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address:

Director of Investor Relations
TECO Energy, Inc.
702 North Franklin Street
Tampa, Florida 33602
(813) 228-1111

You should rely only on the information incorporated by reference or provided in this prospectus or any supplement or term sheet. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in this prospectus or any supplement or term sheet is accurate as of any date other than the date on the front of these documents.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, any prospectus supplement or term sheet, and the documents we have incorporated by reference into this prospectus may contain statements about future events, expectations or future financial performance. These forward-looking statements are identifiable by our use of such words as "anticipate," "believe," "expect," "intend," "may," "project," "will" or other similar words or expressions.

Without limiting the foregoing, any statements relating to our:

- anticipated capital investments;
- liquidity and financing requirements;
- projected operating results;
- future transactions; and
- other plans

are forward-looking statements. These forward-looking statements are based on numerous assumptions that we believe are reasonable, but they are open to a wide range of uncertainties and business risks and actual results may differ materially from those discussed in these statements. When considering forward-looking statements, you should keep in mind the cautionary statements describing these uncertainties and business risks in this prospectus, any prospectus supplement or term sheet and the documents incorporated by reference, including the Investment Considerations included in our filings with the SEC.

You should keep in mind that any forward-looking statement made by us in this prospectus or elsewhere speaks only as of the date on which we make it. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect us. In any event, these and other important factors may cause actual results to differ materially from those indicated by our forward-looking statements. We have no duty to, and do not intend to, update or revise the forward-looking statements in this prospectus after the date of this prospectus, except as may be required by law. In light of these risks and uncertainties, you should keep in mind that any forward-looking statement made in this prospectus or elsewhere might not occur.

TECO ENERGY

TECO Energy is a holding company with five core businesses, consisting of regulated electric and gas utility operations in Florida and three unregulated businesses. TECO Energy was incorporated in Florida in 1981 as part of a restructuring in which we became the parent of Tampa Electric Company. Tampa Electric Company, our largest subsidiary, has regulated electric and gas utility operations in separate divisions. TECO Energy's unregulated businesses are involved in coal mining and synthetic fuel production and sale, marine transportation and electric generation and distribution in Guatemala.

TECO Energy's principal executive offices are located at 702 North Franklin Street, Tampa, Florida 33602. TECO Energy's telephone number is (813) 228-1111.

TAMPA ELECTRIC COMPANY

Tampa Electric Company is a public utility company that is a wholly owned subsidiary of TECO Energy. Its Tampa Electric division provides retail electric service to customers in west central Florida. Its Peoples Gas System division is engaged in the purchase and distribution of natural gas to residential, commercial and industrial and electric power generation customers throughout Florida.

Tampa Electric Company's principal executive offices are located at 702 North Franklin Street, Tampa, Florida 33602. Tampa Electric Company's telephone number is (813) 228-1111.

DESCRIPTION OF DEBT SECURITIES OF TECO ENERGY

For the purposes of this section, "we", "our", "ours" and "us" refer to TECO Energy, Inc.

The debt securities will be unsecured and, unless indicated otherwise in the applicable prospectus supplement or term sheet, will rank on parity with all our other unsecured and unsubordinated indebtedness. We will issue debt securities in one or more series under an indenture dated as of August 17, 1998 between TECO Energy and The Bank of New York, as trustee. We filed the indenture as an exhibit to Amendment No. 1 to TECO Energy's Registration Statement on Form S-3 dated August 24, 1998 (Registration No. 333-60819). The following description of the terms of the debt securities summarizes only the material terms of the debt securities. The description is not complete, and we refer you to the indenture, which we incorporate by reference.

General

The indenture does not limit the aggregate principal amount of the debt securities or of any particular series of debt securities that we may issue under it. We are not required to issue debt securities of any series at the same time nor must the debt securities within any series bear interest at the same rate or mature on the same date.

Each time that we issue a new series of debt securities, the prospectus supplement or term sheet relating to that new series will describe the particular amount, price and other terms of those debt securities. These terms may include:

- the title of the debt securities;
- any limit on the total principal amount of the debt securities;
- the date or dates on which the principal of the debt securities will be payable or the method by which such date or dates will be determined;
- the rate or rates at which the debt securities will bear interest, if any, or the method by which such rate or rates will be determined, and the date or dates from which any such interest will accrue;
- the date or dates on which any such interest will be payable and the record dates, if any, for any such interest payments;
- if applicable, whether we may extend the interest payment periods and, if so, the permitted duration of any such extensions;
- the place or places where the principal of and interest on the debt securities will be payable;
- any obligation we may have to redeem or purchase the debt securities pursuant to any sinking fund, purchase fund or analogous provision or at the option of the holder and the terms and conditions on which the debt securities may be redeemed or purchased pursuant to an obligation;
- the denominations in which we will issue the debt securities, if other than denominations of $1,000;

- the terms and conditions, if any, on which we may redeem the debt securities;
- the currency, currencies or currency units in which we will pay the principal of and any premium and interest on the debt securities, if other than U.S. dollars, and the manner of determining the equivalent in U.S. dollars;
- whether we will issue any debt securities in whole or in part in the form of one or more global securities and, if so, the identity of the depositary for the global security and any provisions regarding the transfer, exchange or legending of any such global security if different from those described below under the caption "Global Securities";
- any addition to, change in or deletion from the events of default or covenants described in this prospectus with respect to the debt securities and any change in the right of the trustee or the holders to declare the principal amount of the debt securities due and payable;
- any index or formula used to determine the amount of principal of or any premium or interest on the debt securities and the manner of determining any such amounts;
- any terms relating to the conversion of the debt security into our common stock, preferred stock or other security issuable by us;
- any subordination of the debt securities to any of our other indebtedness; and
- other material terms of the debt securities.

Unless the prospectus supplement or term sheet relating to the issuance of a series of debt securities indicates otherwise, the debt securities will have the following characteristics:

We will issue debt securities only in fully registered form, without coupons and, generally, in denominations of $1,000 or multiples of $1,000. We will not charge a service fee for the registration, transfer or exchange of debt securities, but we may require a payment sufficient to cover any tax or other governmental charge payable in connection with registration, transfer or exchange.

The principal of, and any premium and interest on, any debt securities will be payable at the corporate trust office of The Bank of New York in New York, New York. Debt securities will be exchangeable and transfers thereof will be registrable at this corporate trust office. Payment of any interest due on any debt security will be made to the person in whose name the debt security is registered at the close of business on the regular record date for interest.

We will have the right to redeem the debt securities only upon written notice mailed to the holders between 30 and 60 days prior to the redemption date.

If we plan to redeem the debt securities, before the redemption occurs, we are not required to:

- issue, register the transfer of, or exchange any debt security of that series during the period beginning 15 days before we mail the notice of redemption and ending on the day we mail the notice; or
- after we mail the notice of redemption, register the transfer of or exchange any debt security selected for redemption, except, if we are only redeeming a part of a debt security, we are required to register the transfer of or exchange the unredeemed portion of the debt security if the holder so requests.

We may offer and sell debt securities at a substantial discount below their principal amount. We will describe any applicable special federal income tax and other considerations, if any, in the relevant prospectus supplement or term sheet. We may also describe certain special federal income tax or other considerations, if any, applicable to any debt securities that are denominated in a currency or currency unit other than U.S. dollars in the relevant prospectus supplement or term sheet.

The indenture does not provide special protection for the debt securities in the event we are involved in a highly leveraged transaction.

The debt securities are obligations exclusively of TECO Energy, Inc., which, as a holding company, has no material assets other than its ownership of the common stock of its subsidiaries, including Tampa Electric Company. We will rely entirely upon distributions from our subsidiaries to meet the payment obligations under the debt securities. Our subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay amounts due under the debt securities or otherwise to make any funds available to us including the payment of dividends or other distributions or the extension of loans or advances. Furthermore, the ability of our subsidiaries to make any payments to us would be dependent upon the terms of any credit facilities of the subsidiaries and upon the subsidiaries' earnings, which are subject to various business risks. In a bankruptcy or insolvency proceeding, claims of holders of the debt securities would be satisfied solely from our equity interests in our subsidiaries remaining after the satisfaction of claims of creditors of the subsidiaries. Accordingly, the debt securities are effectively subordinated to existing and future liabilities of our subsidiaries to their respective creditors.

Global Securities

If we decide to issue debt securities in the form of one or more global securities, then we will register the global securities in the name of the depositary for the global securities or the nominee of the depositary and the global securities will be delivered by the trustee to the depositary for credit to the accounts of the holders of beneficial interests in the debt securities.

The prospectus supplement or term sheet will describe the specific terms of the depositary arrangement for debt securities of a series that are issued in global form. None of our company, the trustee, any payment agent or the security registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global debt security or for maintaining, supervising or reviewing any records relating to these beneficial ownership interests.

Consolidation, Merger, Etc.

We will not consolidate or merge with or into any other corporation or other organization, or sell, convey or transfer all or substantially all of our assets to any individual or organization, unless:

- the successor is an individual or organization organized under the laws of the United States or any state thereof or the District of Columbia or under the laws of a foreign jurisdiction and such successor consents to the jurisdiction of the courts of the United States or any state thereof;
- the successor or transferee expressly assumes our obligations under the indenture; and
- the consolidation, merger, sale or transfer does not cause the occurrence of a default under the indenture.

Upon the assumption by the successor of our obligations under the indenture and the debt securities issued thereunder, and the satisfaction of any other conditions required by the indenture, the successor will succeed to and be substituted for us under the indenture.

Modification of the Indenture

The indenture provides that we or the trustee may modify or amend its terms with the consent of (i) the holders of not less than a majority in aggregate principal amount of the outstanding debt securities of each affected series and (ii) 66 2/3% in aggregate principal amount of the outstanding debt securities of all affected series. However, without the consent of each holder of all of the outstanding debt securities affected by a modification, we may not:

- change the date stated on the debt security on which any payment of principal or interest is stated to be due;

- reduce the principal amount or any premium or interest on, any debt security, including in the case of a discounted debt security, the amount payable upon acceleration of the maturity thereof;
- change the place of payment or currency of payment of principal of, or premium, if any, or interest on, any debt security;
- impair the right to institute suit for the enforcement of any payment on or with respect to any debt security after the stated maturity (or, in the case of redemption, on or after the redemption date); or
- reduce the percentage in principal amount of outstanding debt securities of any series, the consent of the holders of which is required for modification or amendment of the indenture, for waiver of compliance with some provisions of the indenture or for waiver of some defaults.

Under limited circumstances and only upon the fulfillment of conditions, we and the trustee may make modifications and amendments of the indenture without the consent of any holders of the debt securities.

The holders of not less than a majority in aggregate principal amount of the outstanding debt securities of any series may waive any past default under the indenture with respect to that series except:

- a default in the payment of principal of, or any premium or interest on, any debt security of that series;
- in respect of a covenant or provision under the indenture which cannot be modified or amended without the consent of the holder of each outstanding debt security of the affected series.

Events of Default

An event of default with respect to debt securities of any series issued under the indenture is any one of the following events (unless inapplicable to the particular series, specifically modified or deleted as a term of such series or otherwise modified or deleted in an indenture supplemental to the indenture):

- we fail to pay any interest on any debt security of that series when due, and such failure has continued for 30 days;
- we fail to pay principal of or premium, if any, on any debt security of that series when due;
- we fail to deposit any sinking fund payment in respect of any debt security of that series when due, and such failure has continued for 30 days;
- we fail to perform any other covenant in the indenture (other than a covenant included in the indenture solely for the benefit of a series of debt securities other than that series), and such failure has continued for 90 days after we receive written notice as provided in the indenture;
- events of bankruptcy, insolvency or reorganization; and
- any other event defined as an event of default with respect to debt securities of a particular series.

If an event of default with respect to any series of debt securities occurs and is continuing, the trustee or the holders of not less than 25% in principal amount of the outstanding debt securities of that series may declare the principal amount (or, if any debt securities of that series are discounted debt securities, a portion of the principal amount that the terms of the series may specify) of all debt securities of that series to be immediately due and payable. Under some circumstances, the holders of a majority in principal amount of the outstanding debt securities of that series may rescind and annul that declaration and its consequences. The prospectus supplement or term sheet relating to any series of debt securities which are discounted debt securities will specify the particular provisions relating to acceleration of a portion of the principal amount of the discounted debt securities upon the occurrence of an event of default and the continuation of the event of default.

Subject to the provisions of the indenture relating to the duties of the trustee in case an event of default occurs and is continuing, the trustee is not obligated to exercise any of its rights or powers under the indenture at

the request or direction of any of the holders unless the holders have offered to the trustee reasonable security or indemnity. Subject to such provisions for security and indemnification of the trustee and other rights of the trustee, the holders of a majority in principal amount of the outstanding debt securities of any series have the right to direct the time, method and place of conducting any proceedings for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to the debt securities of that series.

The holder of any debt security will have an absolute and unconditional right to receive payment of the principal of and any premium and, subject to limitations specified in the indenture, interest on such debt security on its stated maturity date (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any of these payments.

We must furnish to the trustee an annual statement that to the best of our knowledge we are not in default in the performance and observance of any terms, provisions or conditions of the indenture or, if there has been such a default, specifying each default and its status.

Satisfaction and Discharge of the Indenture

We will have satisfied and discharged the indenture and it will cease to be in effect (except as to our obligations to compensate, reimburse and indemnify the trustee pursuant to the indenture and some other obligations) when we deposit or cause to be deposited with the trustee, in trust, an amount sufficient to pay and discharge the entire indebtedness on the debt securities not previously delivered to the trustee for cancellation, for the principal (and premium, if any) and interest to the date of the deposit (or to the stated maturity date or earlier redemption date for debt securities that have been called for redemption).

Defeasance of Debt Securities

Unless otherwise provided in the prospectus supplement or term sheet for a series of debt securities, we may cause ourself (subject to the terms of the indenture) to be discharged from any and all obligations with respect to any debt securities or series of debt securities (except for certain obligations to register the transfer or exchange of such debt securities, to replace such debt securities if stolen, lost or mutilated, to maintain paying agencies and to hold money for payment in trust) on and after the date the conditions set forth in the indenture are satisfied. Such conditions include the deposit with the trustee, in trust for such purpose, of money and/or U.S. government obligations, which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide money in an amount sufficient to pay the principal of and any premium and interest on such debt securities on the stated maturity date of such payments or upon redemption, as the case may be, in accordance with the terms of the indenture and such debt securities.

Under current Federal income tax law, the defeasance of the debt securities would be treated as a taxable exchange of the relevant debt securities in which holders of debt securities would recognize gain or loss. In addition, thereafter, the amount, timing and character of amounts that holders would be required to include in income might be different from that which would be includable in the absence of such defeasance. Prospective investors are urged to consult their own tax advisors as to the specific consequences of a defeasance, including the applicability and effect of tax laws other than the Federal income tax law.

The Trustee

The trustee is The Bank of New York, which maintains banking relationships with us in the ordinary course of business and serves as trustee under other indentures with us and some of our affiliates.

Governing Law

The indenture and the debt securities will be governed by and construed in accordance with the laws of the State of New York.

DESCRIPTION OF PREFERRED STOCK OF TECO ENERGY

For the purposes of this section, "we", "our", "ours" and "us" refer to TECO Energy, Inc.

We currently have authorized 10,000,000 shares of undesignated preferred stock, $1.00 par value per share, none of which were issued and outstanding as of the date of this prospectus. Under Florida law and our charter, our board is authorized to issue shares of preferred stock from time to time in one or more series without shareholder approval.

Subject to limitations prescribed by Florida law and our charter and by-laws, our board can determine the number of shares constituting each series of preferred stock and the designation, preferences, voting powers, qualifications, and special or relative rights or privileges of that series. These may include provisions as may be desired concerning voting, redemption, dividends, dissolution, or the distribution of assets, conversion or exchange, and other subjects or matters as may be fixed by resolution of the board or an authorized committee of the board.

Our board is authorized to determine the voting rights of any series of preferred stock, subject to the following restrictions in our charter:

- holders of shares of our preferred stock are not entitled to more than the lesser of (i) one vote per $100 of liquidation value and (ii) one vote per share, when voting as a class with the holders of shares of our common stock; and
- holders of shares of our preferred stock are not entitled to vote on any matter separately as a class, other than (i) as required by Florida law, or (ii) as specified in the terms of the preferred stock, if the matter to be voted upon would affect the powers, preferences or special rights of the series or with respect to the election of directors in the event of our failure to pay dividends on the series.

If we offer a specific series of preferred stock under this prospectus, we will describe the terms of the preferred stock in the prospectus supplement for such offering and will file a copy of the charter amendment establishing the terms of the preferred stock with the SEC. This description will include:

- the title and stated value;
- the number of shares offered, the liquidation preference per share and the purchase price;
- the dividend rate(s), period(s) and/or payment date(s), or method(s) of calculation for dividends;
- whether dividends will be cumulative, partially cumulative or non-cumulative and, if cumulative or partially cumulative, the date from which the dividends will accumulate;
- the procedures for any auction or remarketing, if any;
- the provisions for a sinking fund, if any;
- the provisions for redemption, if applicable;
- any listing of the preferred stock on any securities exchange or market;
- whether the preferred stock will be convertible into any series of our common stock, and, if applicable, the conversion price (or how it will be calculated) and exchange period;
- voting rights, if any, of the preferred stock;
- whether interests in the preferred stock will be represented by depositary shares;
- a discussion of any material and/or special U.S. federal income tax considerations applicable to the preferred stock;

- the relative ranking and preferences of the preferred stock as to dividend rights and rights upon liquidation, dissolution or winding up of our affairs;
- any limitations on issuance of any class or series of preferred stock ranking senior to or on parity with the series of preferred stock as to dividend rights and rights upon our liquidation, dissolution or winding up;
- any other specific terms, preferences, rights, limitations or restrictions of the preferred stock.

The preferred stock offered by this prospectus will, when issued, be fully paid and nonassessable and will not have, or be subject to, any preemptive or similar rights.

Unless we specify otherwise in the applicable prospectus supplement, the preferred stock will, with respect to dividend rights and rights upon our liquidation, dissolution or winding up, rank as follows:

- senior to all classes or series of our common stock, and to all equity securities issued by us, the terms of which specifically provide that they rank junior to the preferred stock with respect to those rights;
- on a parity with all equity securities we issue that do not rank senior or junior to the preferred stock with respect to those rights; and
- junior to all equity securities we issue, the terms of which do not specifically provide that they rank on a parity with or junior to the preferred stock with respect to these rights.

As used for these purposes, the term "equity securities" does not include convertible debt securities.

DESCRIPTION OF COMMON STOCK OF TECO ENERGY

For the purposes of this section, "we", "our", "ours" and "us" refer to TECO Energy, Inc.

Our authorized common stock consists of 400,000,000 shares, $1.00 par value per share. At February 16, 2006, there were 208,324,908 shares of common stock issued and outstanding. The approximate number of shareholders of record of our common stock as of February 16, 2006 was 19,406.

Each share of our common stock is entitled to one vote on all matters requiring a vote of shareholders and, subject to the rights of the holders of any outstanding shares of preferred stock, are entitled to receive any dividends, in cash, securities or property, as our board may declare. We may not pay cash dividends on our common stock at any time when we have deferred interest payments on our 8.50% Junior Subordinated Notes Due 2041 issued in connection with the issuance of the 8.50% Trust Preferred Securities of TECO Capital Trust I or our 5.934% Junior Subordinated Notes Due January 15, 2007 underlying the 5.934% Trust Preferred Securities of TECO Capital Trust II originally issued as part of our 9.50% Adjustable Conversion-Rate Equity Security Units. Also, if the aggregate quarterly dividend payments on our common stock were to equal or exceed $50,000,000, subject to increase in the event we issue additional shares of common stock, we would not be able to declare or pay cash dividends on our common stock or make certain other distributions unless we had previously delivered liquidity projections satisfactory to the administrative agent under our $200 million credit facility demonstrating that we will have sufficient cash to pay such dividends and distributions and the three succeeding quarterly dividends.

In the event of our liquidation, dissolution or winding up, either voluntary or involuntary, subject to the rights of the holders of any outstanding shares of preferred stock, holders of common stock are entitled to share pro-rata in all of our remaining assets available for distribution.

The common stock issued by this prospectus will, when issued, be fully paid and nonassessable and will not have, or be subject to, any preemptive or similar rights.

The Bank of New York is the transfer agent and registrar for our common stock.

ANTI-TAKEOVER EFFECTS OF TECO ENERGY'S ARTICLES OF INCORPORATION AND BYLAWS, FLORIDA LAW AND TECO ENERGY'S RIGHTS PLAN

For the purposes of this section, "we", "our", "ours" and "us" refer to TECO Energy, Inc.

Required Vote for Authorization of Certain Actions

Our Articles of Incorporation, which we refer to as our Articles, require the vote of the holders of at least 80% of the combined voting power of the then outstanding shares of stock of all classes and series entitled to vote generally in the election of directors for approval of certain business combinations, including certain mergers, asset sales, security issuances, recapitalizations and liquidations, involving us or our subsidiaries and certain acquiring persons (namely a person, entity or specified group which beneficially owns more than 10% of the voting power of the then outstanding shares of our capital stock entitled to vote generally in an election of directors), unless such business combination has been approved by a majority of disinterested directors, or the fair market value and other procedural requirements of our Articles are met.

Election and Removal of Directors

Our board of directors is divided into three classes. The directors in each class serve for a three year term, one class being elected each year by our stockholders. A vote of a majority of the board or 80% of the combined voting power of the then outstanding shares of stock, voting together as a single class, is required to remove a director, with or without cause. This system of electing and removing directors may discourage a third party from making a tender offer or otherwise attempting to obtain control of us because it generally makes it more difficult for shareholders to replace a majority of the directors. Under the terms of our bylaws and Articles, these provisions cannot be changed without a supermajority vote of our shareholders.

Under Florida Law

Florida has enacted legislation that may deter or frustrate takeovers of Florida corporations. The "Control Share Acquisitions" section of the Florida Business Corporation Act, or FBCA, generally provides that shares acquired in excess of certain specified thresholds, beginning at 20% of a corporation's outstanding voting shares, will not possess any voting rights unless such voting rights are approved by a majority vote of the corporation's disinterested shareholders. We have provided in our bylaws that the Control Share Acquisition Act shall not apply to us.

The "Affiliated Transactions" section of the FBCA generally requires majority approval by disinterested directors or supermajority approval of disinterested shareholders of certain specified transactions (such as a merger, consolidation, sale of assets, issuance or transfer of shares or reclassifications of securities) between a corporation and a holder of more than 10% of the outstanding shares of the corporation, or any affiliate of such shareholder.

Rights Plan

We have a shareholder rights plan. Under the plan, each outstanding share of our common stock carries with it a right, currently unexercisable, that if triggered permits the holder to purchase large amounts of our or any successor entity's securities at a discount and/or trade those purchase rights separately from the common stock. The rights are triggered when a person acquires, or makes a tender or exchange offer to acquire, 10% of our common stock. The plan, however, prohibits the 10%-acquiror, or its affiliates, from exercising our shares' purchase rights. As a result the acquiror's interest in TECO Energy is substantially diluted. The rights expire in May 2009, subject to extension. We may also redeem the rights at a nominal price per right until 10 business days after a triggering event.

These and other provisions of our Articles, bylaws and rights plan could discourage potential acquisition proposals and could delay or prevent a change in control.

DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS OF TECO ENERGY

For the purposes of this section, "we", "our", "ours" and "us" refer to TECO Energy, Inc.

We may issue stock purchase contracts, including contracts obligating holders to purchase from us, and us to sell to the holders, a specified number of shares of common stock or preferred stock at a future date or dates (which we refer to as stock purchase contracts). The price per share of common stock or preferred stock and the number of shares of common stock or preferred stock may be fixed at the time the stock purchase contracts are issued or may be determined by reference to a specific formula set forth in the stock purchase contracts. The stock purchase contracts may be issued separately or as part of units consisting of a stock purchase contract and debt securities, preferred stock, trust preferred securities or debt obligations of third parties, including U.S. Treasury securities, securing the holders' obligations to purchase the common stock or preferred stock under the stock purchase contracts (which we refer to as stock purchase units). The stock purchase contracts may require us to make periodic payments to the holders of the stock purchase units or vice versa, and such payments may be unsecured or prefunded on some basis. The stock purchase contracts may require holders to secure their obligations thereunder in a specified manner and in certain circumstances we may deliver newly issued prepaid stock purchase contracts, often known as prepaid securities, upon release to a holder of any collateral securing such holder's obligation under the original stock purchase contract.

The applicable prospectus supplement will describe the material terms of the stock purchase contracts or stock purchase units and, if applicable, prepaid securities. Material United States federal income tax considerations applicable to the stock purchase units and the stock purchase contracts will also be discussed in the applicable prospectus supplement.

DESCRIPTION OF WARRANTS AND OTHER PURCHASE RIGHTS OF TECO ENERGY

For the purposes of this section, "we", "our", "ours" and "us" refer to TECO Energy, Inc.

General

We may issue warrants and/or other rights to purchase debt securities (which we refer to as debt warrants), preferred stock (which we refer to as preferred stock warrants) or common stock (which we refer to as common stock warrants). We may issue any of these warrants or purchase rights (which we refer to generally as warrants) independently or together with other securities offered by this prospectus and attached to or separate from the other securities. If we issue warrants, we will issue them under warrant agreements between us and a bank or trust company, as agent, all of which will be described in the prospectus supplement relating to the warrants we are offering.

Debt Warrants

We will describe the terms of debt warrants offered in the applicable prospectus supplement, the warrant agreement relating to the debt warrants and the debt warrant certificates representing the debt warrants, including the following:

- the title;
- the aggregate number offered;
- their issue price or prices;
- the designation, aggregate principal amount and terms of the debt securities purchasable upon exercise, and the procedures and conditions relating to exercise;

- the designation and terms of any related debt securities and the number of debt warrants issued with each security;
- if applicable, the date, if any, on and after which the debt warrants and the related debt securities will be separately transferable;
- the principal amount of debt securities purchasable upon exercise, and the price at which that principal amount of debt securities may be purchased upon exercise;
- the commencement and expiration dates of the right to exercise;
- the maximum or minimum number which may be exercised at any time;
- if applicable, a discussion of the material United States income tax considerations applicable to exercise;
- and any other terms, including terms, procedures and limitations relating to exercise.

Debt warrant certificates will be exchangeable for new debt warrant certificates of different denominations, and debt warrants may be exercised at the corporate trust office of the warrant agent or any other office indicated in the applicable prospectus supplement. Before exercising their debt warrants, holders will not have any of the rights of holders of the securities purchasable upon exercise and will not be entitled to payments of principal of, premium, if any, or interest, if any, on the securities purchasable upon exercise.

Other Warrants

The applicable prospectus supplement will describe the following terms of preferred stock warrants or common stock warrants offered under this prospectus:

- the title;
- the securities issuable upon exercise;
- the issue price or prices;
- the number of warrants issued with each share of preferred stock or common stock;
- any provisions for adjustment of (i) the number or amount of shares of preferred stock or common stock issuable upon exercise of the warrants or (ii) the exercise price;
- if applicable, the date on and after which the warrants and the related preferred stock or common stock will be separately transferable;
- if applicable, a discussion of the material United States federal income tax considerations applicable to the exercise of the warrants;
- the commencement and expiration dates of the right to exercise;
- the maximum and minimum number that may be exercised at any time; and
- any other terms, including terms, procedures, and limitations relating to exchange or exercise.

Exercise of Warrants

Each warrant will entitle the holder to purchase for cash the principal amount of debt securities or shares of preferred stock or common stock at the applicable exercise price set forth in, or determined as described in, the applicable prospectus supplement. Warrants may be exercised at any time up to the close of business on the expiration date set forth in the applicable prospectus supplement. After the close of business on the expiration date, unexercised warrants will become void.

Warrants may be exercised by delivering to the corporate trust office of the warrant agent or any other officer indicated in the applicable prospectus supplement (a) the warrant certificate properly completed and duly executed and (b) payment of the amount due upon exercise. As soon as practicable following exercise, we will forward the debt securities or shares of preferred stock or common stock purchasable upon exercise. If less than all of the warrants represented by a warrant certificate are exercised, a new warrant certificate will be issued for the remaining warrants.

DESCRIPTION OF DEBT SECURITIES OF TAMPA ELECTRIC COMPANY

For the purposes of this section, "we", "our", "ours" and "us" refer to Tampa Electric Company.

The debt securities will be unsecured and, unless indicated otherwise in the applicable prospectus supplement or term sheet, will rank on parity with all our other unsecured and unsubordinated indebtedness. We will issue debt securities in one or more series under an indenture dated as of July 1, 1998 between Tampa Electric Company and The Bank of New York, as trustee. We filed the indenture as an exhibit to Amendment No. 1 to Tampa Electric Company's Registration Statement on Form S-3 dated July 13, 1998 (Registration No. 333-55873). The following description of the terms of the debt securities summarizes only the material terms of the debt securities. The description is not complete and we refer you to the indenture, which we incorporate by reference.

General

The indenture does not limit the aggregate principal amount of the debt securities or of any particular series of debt securities that we may issue under it. We are not required to issue debt securities of any series at the same time nor must the debt securities within any series bear interest at the same rate or mature on the same date.

Each time that we issue a new series of debt securities, the prospectus supplement or term sheet relating to that new series will describe the particular amount, price and other terms of those debt securities. These terms may include:

- the title of the debt securities;
- any limit on the total principal amount of the debt securities;
- the date or dates on which the principal of the debt securities will be payable or the method by which such date or dates will be determined;
- the rate or rates at which the debt securities will bear interest, if any, or the method by which such rate or rates will be determined, and the date or dates from which any such interest will accrue;
- the date or dates on which any such interest will be payable and the record dates, if any, for any such interest payments;
- if applicable, whether we may extend the interest payment periods and, if so, the permitted duration of any such extensions;
- the place or places where the principal of and interest on the debt securities will be payable;
- any obligation we may have to redeem or purchase the debt securities pursuant to any sinking fund, purchase fund or similar provision or at the option of the holder and the terms and conditions on which the debt securities may be redeemed or purchased pursuant to an obligation;
- the denominations in which we will issue the debt securities, if other than denominations of $1,000;
- the terms and conditions, if any, on which we may redeem the debt securities;

- the currency, currencies or currency units in which we will pay the principal of and any premium and interest on the debt securities, if other than U.S. dollars, and the manner of determining the equivalent in U.S. dollars;
- whether we will issue any debt securities in whole or in part in the form of one or more global securities and, if so, the identity of the depositary for the global security and any provisions regarding the transfer, exchange or legending of any such global security if different from those described below under the caption "Global Securities;"
- any addition to, change in or deletion from the events of default or covenants described in this prospectus with respect to the debt securities and any change in the right of the trustee or the holders to declare the principal amount of the debt securities due and payable;
- any index or formula used to determine the amount of principal of or any premium or interest on the debt securities and the manner of determining any such amounts;
- any subordination of the debt securities to any other indebtedness of the Company; and
- other material terms of the debt securities.

Unless the prospectus supplement or term sheet relating to the issuance of a series of debt securities indicates otherwise, the debt securities will have the following characteristics:

We will issue debt securities only in fully registered form, without coupons and in denominations of $1,000 or multiples of $1,000. We will not charge a service fee for the registration, transfer or exchange of debt securities, but we may require a payment sufficient to cover any tax or other governmental charge payable in connection with registration, transfer or exchange.

The principal of, and any premium and interest on, any debt securities will be payable at the corporate trust office of The Bank of New York in New York, New York. Debt securities will be exchangeable and transfers thereof will be registrable at this corporate trust office. Payment of any interest due on any debt security will be made to the person in whose name the debt security is registered at the close of business on the regular record date for interest.

We will have the right to redeem the debt securities only upon written notice mailed between 30 and 60 days prior to the redemption date.

If we plan to redeem the debt securities, before the redemption occurs we are not required to:

- issue, register the transfer of, or exchange any debt security of that series during the period beginning 15 days before we mail the notice of redemption and ending on the day we mail the notice; or
- after we mail the notice of redemption, register the transfer of or exchange any debt security selected for redemption, except if we are only redeeming a part of a debt security, we are required to register the transfer of or exchange the unredeemed portion of the debt security if the holder so requests.

We may offer and sell debt securities at a substantial discount below their principal amount. We will describe any applicable special federal income tax and other considerations, if any, in the relevant prospectus supplement or term sheet. We may also describe in the relevant prospectus supplement or term sheet certain special federal income tax or other considerations, if any, applicable to any debt securities that are denominated in a currency or currency unit other than U.S. dollars.

The indenture does not provide special protection for the debt securities in the event we are involved in a highly leveraged transaction.

Global Securities

If we decide to issue debt securities in the form of one or more global securities, then we will register the global securities in the name of the depositary for the global securities or the nominee of the depositary and the global securities will be delivered by the trustee to the depositary for credit to the accounts of the holders of beneficial interests in the debt securities.

The prospectus supplement or term sheet will describe the specific terms of the depositary arrangement for debt securities of a series that are issued in global form. None of our company, the trustee, any payment agent or the security registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global debt security or for maintaining, supervising or reviewing any records relating to these beneficial ownership interests.

Consolidation, Merger, Etc.

We will not consolidate or merge with or into any other corporation or other organization, or sell, convey or transfer all or substantially all of our assets to any individual or organization, unless:

- the successor is an individual or organization organized under the laws of the United States or any state thereof or the District of Columbia or under the laws of a foreign jurisdiction and such successor consents to the jurisdiction of the courts of the United States or any state thereof;
- the successor or transferee expressly assumes our obligations under the indenture; and
- the consolidation, merger, sale or transfer does not cause the occurrence of a default under the indenture.

Upon the assumption by the successor of our obligations under the indenture and the debt securities issued thereunder, and the satisfaction of any other conditions required by the indenture, the successor will succeed to and be substituted for us under the indenture.

Modification of the Indenture

The indenture provides that we or the trustee may modify or amend its terms with the consent of (i) the holders of not less than a majority in aggregate principal amount of the outstanding debt securities of each affected series and (ii) 66⅔% in aggregate principal amount of the outstanding debt securities of all affected series. However, without the consent of each holder of all of the outstanding debt securities affected by that modification, we may not:

- change the date stated on the debt security on which any payment of principal or interest is stated to be due;
- reduce the principal amount or any premium or interest on, any debt security, including in the case of a discounted debt security, the amount payable upon acceleration of the maturity thereof;
- change the place of payment or currency of payment of principal of, or premium, if any, or interest on, any debt security;
- impair the right to institute suit for the enforcement of any payment on or with respect to any debt security after the stated maturity (or, in the case of redemption, on or after the redemption date); or
- reduce the percentage in principal amount of outstanding debt securities of any series, the consent of the holders of which is required for modification or amendment of the indenture, for waiver of compliance with some provisions of the indenture or for waiver of some defaults.

Under limited circumstances and only upon the fulfillment of conditions, we and the trustee may make modifications and amendments of the indenture without the consent of any holders of the debt securities.

The holders of not less than a majority in aggregate principal amount of the outstanding debt securities of any series may waive any past default under the indenture with respect to that series except:

- a default in the payment of principal of, or any premium or interest on, any debt security of that series;
- a default of a covenant or provision under the indenture that cannot be modified or amended without the consent of the holder of each outstanding debt security of the affected series.

Events of Default

An event of default with respect to debt securities of any series issued under the indenture is any one of the following events (unless inapplicable to the particular series, specifically modified or deleted as a term of such series or otherwise modified or deleted in an indenture supplemental to the indenture):

- we fail to pay any interest on any debt security of that series when due, and such failure has continued for 30 days;
- we fail to pay principal of or any premium on any debt security of that series when due;
- we fail to deposit any sinking fund payment in respect of any debt security of that series when due, and such failure has continued for 30 days;
- we fail to perform any other covenant in the indenture (other than a covenant included in the indenture solely for the benefit of a series of debt securities other than that series), and such failure has continued for 90 days after we receive written notice as provided in the indenture;
- events of bankruptcy, insolvency or reorganization; and
- any other event defined as an event of default with respect to debt securities of a particular series.

If an event of default with respect to any series of debt securities occurs and is continuing, the trustee or the holders of not less than 25% in principal amount of the outstanding debt securities of that series may declare the principal amount (or, if any debt securities of that series are discounted debt securities, a portion of the principal amount that the terms of the series may specify) of all debt securities of that series to be immediately due and payable. Under some circumstances, the holders of a majority in principal amount of the outstanding debt securities of that series may rescind and annul that declaration and its consequences. The prospectus supplement or term sheet relating to any series of debt securities that are discounted debt securities will specify the particular provisions relating to acceleration of a portion of the principal amount of the discounted debt securities upon the occurrence of an event of default and the continuation of the event of default.

Subject to the provisions of the indenture relating to the duties of the trustee in case an event of default occurs and is continuing, the trustee is not obligated to exercise any of its rights or powers under the indenture at the request or direction of any of the holders unless the holders have offered to the trustee reasonable security or indemnity. Subject to such provisions for security and indemnification of the trustee and other rights of the trustee, the holders of a majority in principal amount of the outstanding debt securities of any series have the right to direct the time, method and place of conducting any proceedings for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to the debt securities of that series.

The holder of any debt security will have an absolute and unconditional right to receive payment of the principal of and any premium and, subject to limitations specified in the indenture, interest on such debt security on its stated maturity date (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any of these payments.

We must furnish to the trustee an annual statement that to the best of our knowledge we are not in default in the performance and observance of any terms, provisions or conditions of the indenture or, if there has been such a default, specifying each default and its status.

Satisfaction and Discharge of the Indenture

We will have satisfied and discharged the indenture and it will cease to be in effect (except as to our obligations to compensate, reimburse and indemnify the trustee pursuant to the indenture and some other obligations) when we deposit or cause to be deposited with the trustee, in trust, an amount sufficient to pay and discharge the entire indebtedness on the debt securities not previously delivered to the trustee for cancellation, for the principal (and premium, if any) and interest to the date of the deposit (or to the stated maturity date or earlier redemption date for debt securities that have been called for redemption).

Defeasance of Debt Securities

Unless otherwise provided in the prospectus supplement or term sheet for a series of debt securities, and subject to the terms of the indenture, we may request to be discharged from any and all obligations with respect to any debt securities or series of debt securities (except for certain obligations to register the transfer or exchange of such debt securities, to replace such debt securities if stolen, lost or mutilated, to maintain paying agencies and to hold money for payment in trust) on and after the date the conditions set forth in the indenture are satisfied. Such conditions include the deposit with the trustee, in trust for such purpose, of money and/or U.S. government obligations, which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide money in an amount sufficient to pay the principal of and any premium and interest on such debt securities on the stated maturity date of such payments or upon redemption, as the case may be, in accordance with the terms of the indenture and such debt securities.

Under current federal income tax law, the defeasance of the debt securities would be treated as a taxable exchange of the relevant debt securities in which holders of debt securities would recognize gain or loss. In addition, thereafter, the amount, timing and character of amounts that holders would be required to include in income might be different from that which would be includable in the absence of such defeasance. Prospective investors should consult their own tax advisors as to the specific consequences of a defeasance, including the applicability and effect of tax laws other than the federal income tax laws.

The Trustee

The trustee is The Bank of New York, which maintains banking relationships with us in the ordinary course of business and serves as trustee under other indentures with us and some of our affiliates.

Governing Law

The indenture and the debt securities will be governed by and construed in accordance with the laws of the State of New York.

USE OF PROCEEDS

We will describe in the applicable prospectus supplement how we intend to use the net proceeds from the sale of the securities.

LEGAL MATTERS

In connection with particular offerings of the securities in the future, and if stated in the applicable prospectus supplement, the validity of those securities may be passed upon for us by Edwards Angell Palmer & Dodge LLP, Boston, Massachusetts. Legal counsel to any underwriters may pass upon legal matters for such underwriters.

EXPERTS

The consolidated financial statements, financial statement schedules and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) of TECO Energy incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2005 of TECO Energy have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered certified public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The financial statements and financial statement schedules of Tampa Electric Company incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2005 of Tampa Electric Company have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered certified public accounting firm, given on the authority of said firm as experts in auditing and accounting.

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$150,000,000

Tampa Electric Company

6.10% Notes due 2018

PROSPECTUS SUPPLEMENT

Morgan Stanley
BNP PARIBAS

Fifth Third Securities, Inc.

Morgan Keegan & Company, Inc.

SOCIETE GENERALE

Wedbush Morgan Securities Inc.

May 13, 2008